

UNDERSTAND YOUR CREDIT SCORE

INCREASE YOUR CREDIT SCORE



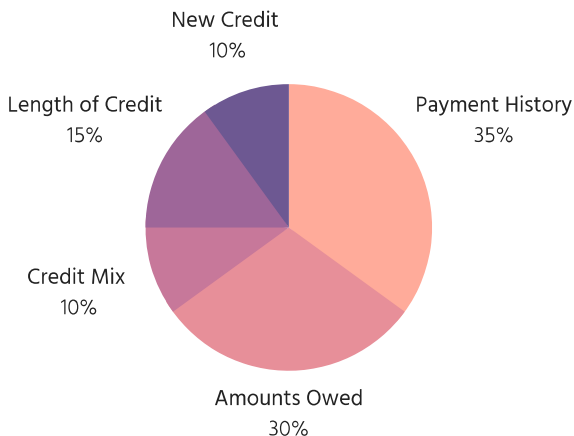
Almost everyone uses credit and having a good credit score is crucial to save money, increase the likelihood to be approved for loans and is key to financial success. Below, we go through what credit is and how your actions affect your credit score. With a knowledge on how to impact your credit score, you can ensure that you have a healthy credit score.

What is a credit score?

Five main things that impact your overall score:

- Payment History (35%)
- Usage of Credit/Amount Owed (30%)
- Length of Credit History (15%)
- New Credit/New Inquiries (10%)
- Types of Credit/Credit Mix (10%)

Your credit score is derived from any credit products you have. Credit cards, car loan, phone bill, mortgages, student loans, etc.



The most important factor that makes up your credit score is payment history, followed by credit usage and length of credit.



CREDIT SCORE	
A Excellent	750 - 900
B Good	650 - 749
C Fair	575 - 649
D Poor	500 - 574
F Very Poor	300 - 499

What type of credit rating do I fall into?

To the left, you can see the range of what is considered very poor credit and what is excellent credit.

The lowest credit score an individual can have is 300 and the maximum score is 900.

It is best to be in the good to excellent category when it comes to applying for a loan as your perceived risk is low.

How to increase your credit score?

- Make payments in a timely manner
 - Never miss a payment
 - Set up auto payments
 - Set calendar reminders
- Do not max your credit cards or revolving credit
- Only apply for credit when needed
- Avoid signing up for a credit card for something free
- Pay off your loans quicker than required
- Set up a contingency fund (3 months worth of expenses)
- Do not close old credit (use it for a purchase a month and always pay it off in full)

Adrian Schulz | Mortgage Agent

Centum Financial Services Limited Partnership

adrian_schulz@centum.ca | <http://www.centumfinancial.ca> | (204) 272-3763

Floor 30 - 360 Main Street, Winnipeg, MB