Steps to Increase Your Credit Score

Ensure a Positive Payment History

Pay your bills on time. Delinquent payments and collection items have a major impact on your credit score.

Get and stay current on your bills. If you have missed payments, get current and stay current. The longer you pay your bills on time after being late, the more your score should increase. Older credit problems count for less, so the impact of past credit problems on your score fades as time passes and as recent good payment patterns show up on your report.

Know the seven year rule. Be aware that paying off a collection item will not remove it from your credit report. It will stay on your report for seven years.

Ask for help. If you are having trouble making ends meet, contact us or your local loan officer for support. While asking for help won't rebuild your credit score immediately, beginning to manage your credit and paying on time will increase your score over time.

Manage Amounts Owed

Keep credit balances low. High outstanding debt can negatively affect your credit score. Keep balances low on all credit cards and other revolving credit.

Extend Length of Credit History

Limit the amount of accounts you open at one time. If you have been managing credit for a short time, don't open a lot of new accounts too rapidly. This approach can actually backfire and lower your score.

Be Smart About New Credit

Rate shop quickly. Do your rate shopping for a given loan within a focused period of time, such as 30 days. FICO scores distinguish between a search for a single loan and a search for many new credit lines, in part by the length of time over which inquiries occur.

Re-establish your credit history. If you have had credit problems in the past, move past them by managing them going forward. Opening new accounts responsibly and paying them off on time will raise your credit score in the long term.

Monitor your score. Requesting and checking your own credit report won't affect your score as long as you order your credit report directly from the credit reporting agency or through an organization authorized to provide credit reports to consumers.

Know How to Use Different Types of Credit

Apply for and open new credit accounts only as needed. Don't open accounts just to have a better credit mix–it probably won't raise your credit score.

Have credit cards, but manage them responsibly. In general, having credit cards and installment loans (and making timely payments) rebuilds your credit score. Someone with no credit cards, for example, tends to be a higher risk than someone who has managed credit cards responsibly.

Know that closing an account doesn't make it go away. A closed account will still show up on your credit report.

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