



Tips to Improve Your Credit Score

- **Pay all bills on time, every time.** Payment history is one of the most important factors in your credit score.
- **Set up automatic payments.** Auto-deductions help ensure you never miss a due date.
- **Create a budget and savings plan.** Allocate extra funds towards a savings account, a down payment, or paying down debt faster.
- **Pay off credit cards but keep the accounts open.** Maintain a zero balance when possible. If needed, you can physically cut up the card to avoid use, but do not close the account.
- **Make extra payments when possible.** Additional payments reduce principal and help pay off debt faster.
- **Avoid payday loans and high-interest personal loans.** These often carry short terms and excessive interest rates that can worsen financial strain.
- **Consider a credit-builder CD or credit-builder loan.** These tools can help establish or rebuild positive payment history.
- **Open a second-chance checking account if needed.** This option is designed for individuals with prior banking issues and can help reestablish financial stability. Set up automatic payments whenever possible.
- **Stop using credit cards that increase your balances.** Reducing new charges is key to lowering overall debt.
- **Avoid taking on new debt.** Focus on paying down existing obligations before adding more.
- **Address past credit issues, such as collections.** Contact creditors to begin payments or set up a payment plan to resolve delinquencies.
- **Dispute any errors or fraudulent activity on your credit report.** File disputes with the credit bureaus and work toward resolution.
- **If you own a home, explore a home equity line of credit (HELOC).** Using home equity to consolidate high-interest credit card balances may reduce overall interest costs.
- **Prioritize paying off high-interest debt first.** Focus on the balance with the highest interest rate, then proceed to the next highest.
- **Lower your credit utilization.** Aim to keep balances below 35% of your available credit.
- **Be patient and stay consistent.** Major events such as bankruptcy or foreclosure take time to age off your credit report. Start today by taking steady steps toward improvement.