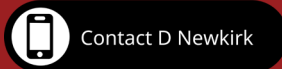


Understanding Your Credit Score

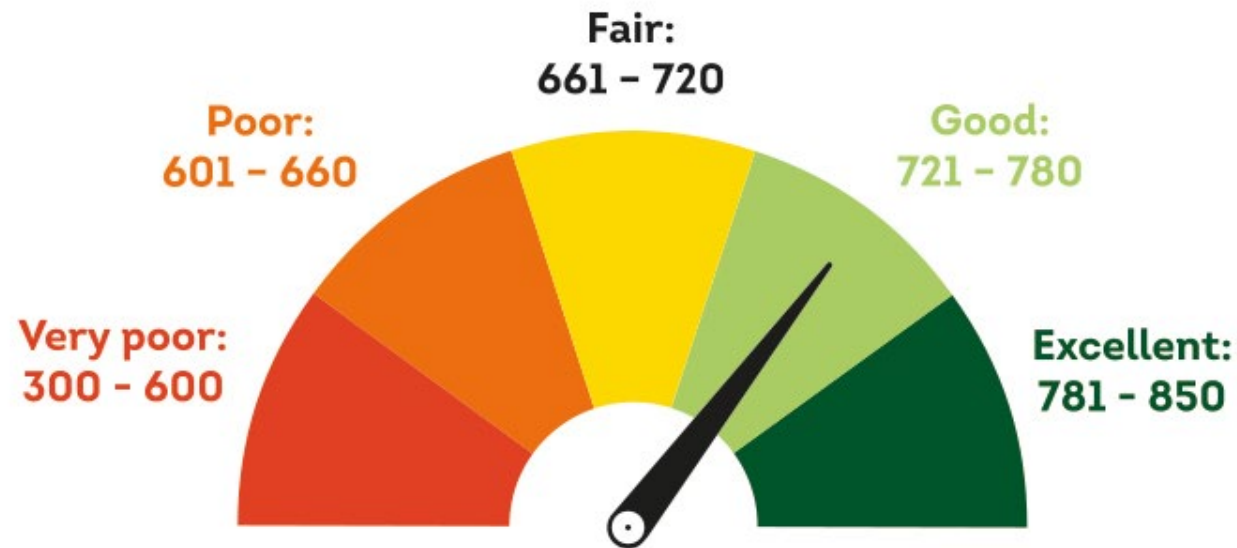


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What is a credit score?

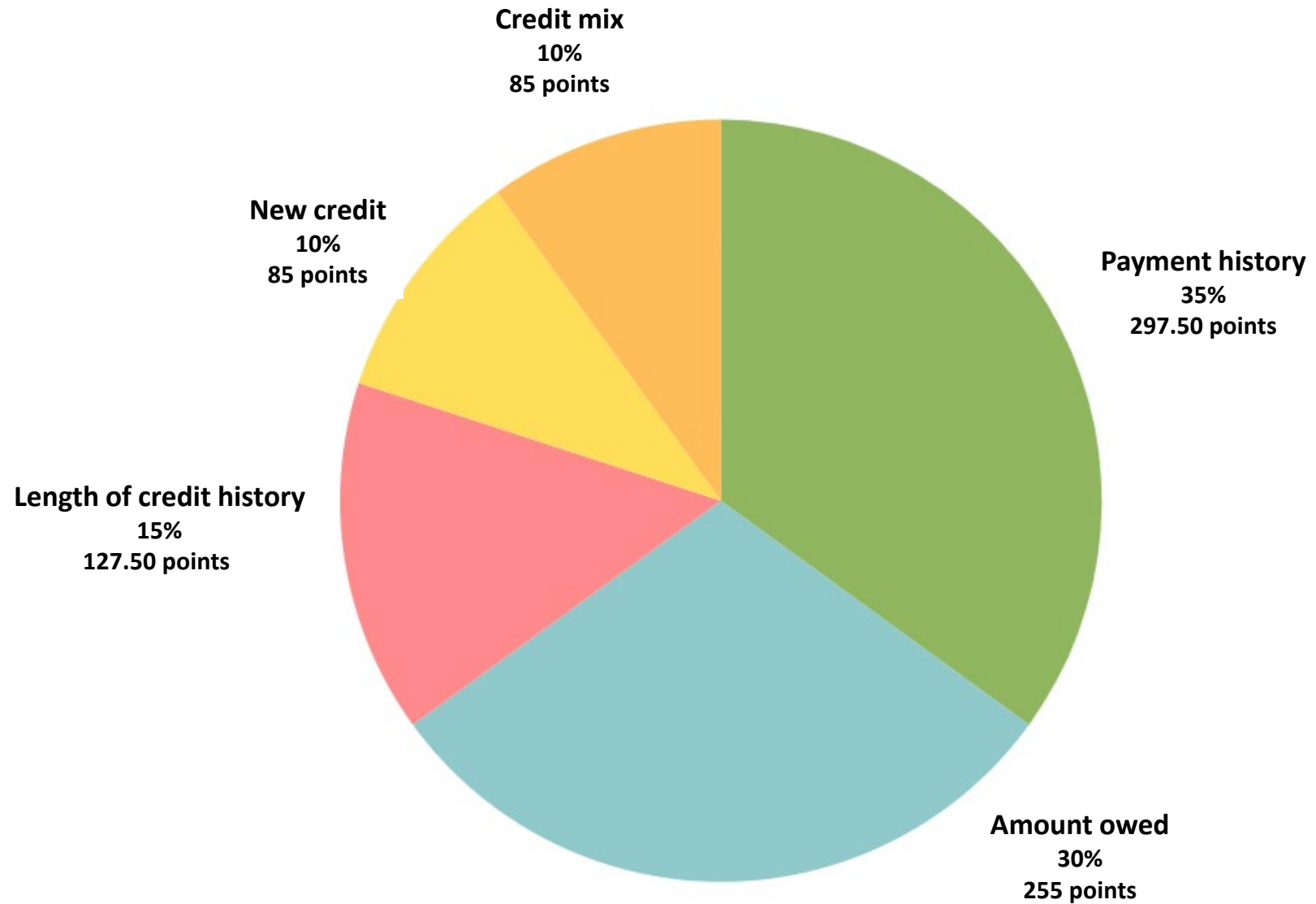
- A number representing your creditworthiness – the likelihood you'll repay your debts
 - Your creditworthiness is based on an analysis of your credit report
 - Includes your credit history, current debts, payment history and other financial behaviors
- Scores range from 300 and 850
- Three credit bureaus: Equifax, Experian, TransUnion
- Two credit score models: FICO and VantageScore



Why does your credit score matter?

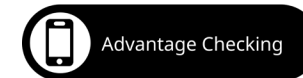
- Determines if you'll be approved for loans, credit cards and other forms of credit
 - Shows lenders you're likely to repay your debts responsibly
 - Helps companies gauge the risk of doing business with you
- A higher credit score usually qualifies you for lower interest rates, more favorable terms and avoiding certain security deposits.
- Used by financial institutions, cell phone carriers, insurance, landlords, utilities and employers
- Companies can run credit in two ways:
 - Hard pull (or hard inquiry)
 - When you apply for new credit or services
 - Will affect credit score – visible to other lenders
 - Soft pull (or soft inquiry)
 - Background check, credit monitoring or prescreen – used for informational purposes
 - Will not affect credit score –won't appear on credit report or be seen by lenders for future credit decisions

Credit score components



Where can I get a free credit report?

- annualcreditreport.com
- creditsesame.com
- Credit Karma
- Advantage Checking
 - Credit file monitoring and identity monitoring
 - Free credit report and credit score
 - <https://www.citycu.org/accounts/advantage-checking.html>



Q&A

