

# UNDERSTANDING YOUR CREDIT SCORE

## WHAT IS A CREDIT SCORE?

Your **credit score** represents your creditworthiness based on your history of using and paying back borrowed money. Having a good credit score can make a purchase less expensive!

## YOUR FINANCIAL HEALTH AND MENTAL HEALTH GO HAND IN HAND!

Recent data has shown that people grappling with bad credit can experience increased stress, anxiety, depression and suicidal thoughts. Below are tips to help you tackle your credit debt and raise your credit score.

- ✓ Pay down your credit card balances each month
- ✓ Periodically request a credit card limit increase
- ✓ Pay utilities on time — they do not report payment history to credit bureaus, but they may report late or missed payments
- ✓ Keep your debt-to-income ratio low
- ✓ Avoid a “thin credit file” — not having enough credit history
- ✓ Avoid too many credit inquiries — applying for multiple credit cards or loans in a short period of time will result in multiple inquiries and lower your credit score
- ✓ Keep your long-standing accounts open

