

# Build Credit. Build Assets

CREDIT BOOST SOLUTIONS

# What is Credit Building?

**X Credit Repair** - Help individuals remove information on the credit report they know to be false or inaccurate.

**? Credit Counseling** - Offer “debt management plans” and how to maintain good credit.

**! Credit Education** – Educational credit information regarding the laws and rights of the consumer through the Fair Credit Reporting Act (FCRA).

**! Credit Building** – The process of building and improving credit through products and services to help people obtain a higher FICO score.

\*Source: Credit Builders Alliance

# Credit Is An Asset

- A credit report is your financial resume
- Good Credit scores provide:
  - access to mainstream financing
  - lower interest rates
  - Better terms on loans and mortgages
  - safer products
  - less vulnerability to predatory lenders
  - access to rental housing, employment, insurance, etc

# Example of how credit saves consumers money:

- ▶ \$10,000 auto loan, 5 year term

Interest rate	Credit score	Monthly car payment	Total interest paid
25%	Low score	\$294.00	\$7611.00
12%	Okay score	\$222.00	\$3347.00
5%	Good score	\$189.00	\$1323.00

# Who May Review Your Credit Report

- ▶ Employer
- ▶ Rental Landlord
- ▶ Auto and home purchase lender
- ▶ Car insurance agencies
- ▶ Credit Card companies and other lenders
- ▶ Banks when opening accounts
- ▶ Phone, Internet, and Television providers

# How can I get my credit report?

- You are entitled to one free credit report a year from the credit bureaus from [annualcreditreport.com](http://annualcreditreport.com)
- OR you can obtain your report on a monthly basis from creditor monitor sites such as

**[www.privacyguard.com](http://www.privacyguard.com)**

- You can also access additional credit reports if:
  - You are unemployed and tend to file for employment in the next 60 days
  - Are on public welfare
  - You believe your file contains inaccurate information due to fraud

# What is a Credit Score?

- FICO vs. Vantage Score
  - FICO 300-850
  - Vantage 501-990
- A mathematical model and a risk assessment of your ability to REPAY.

# How to Increase Your Credit Score

## “Get the Good Stuff Going!”

1. Have 3 lines of credit reporting on your credit report
2. **Pay on time!!!!**
3. Amount of debt compared to your credit limit should be below 30%
4. Length of time you that you have had a relationship with a creditor.
5. Have a mix of types of credit – revolving and installment

# Disputing inaccurate info on your credit report

- ▶ Write a letter to the credit bureaus
  - ▶ Include any receipts or letters supporting your position
- ▶ The credit bureaus have 30 days to respond
- ▶ 100 word statement if dispute is not resolved.
- ▶ Write letters to your creditors

# Delve out of Debt

- ▶ Take responsibility for past actions
- ▶ Save to **negotiate** and pay old debt
- ▶ NEGOTIATE with Collection Agencies
  - ▶ Negotiate with collection agencies to pay 30-40% of your debt off in one lump sum!
  - ▶ Payment plan – YES or NO??
  - ▶ Knows the laws and your rights

# Any Questions about Credit?

Contact the credit repair specialist at  
Credit Boost Solutions

1 (800) 596 – 3878

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