

# How To: Get the Good Credit Score and Report that You Deserve

Developing good credit is an ongoing process that starts with understanding how credit reporting works. While paying your bills is an essential step in the right direction, there are other smaller, lesser-known steps that are key to establishing and keeping a clean credit report and a good credit score. Applying these steps will go a long way in giving you the credit history you deserve.

## ***Check your credit report for accuracy***

First, check your credit report regularly to ensure that the data included is accurate. While you want to look out for obvious errors, such as accounts that may have been opened as the result of identity theft, there are other smaller errors that may exist that can harm your credit. In addition, look at your name on the report to ensure that it's accurate. Something as obvious as changing your last name from your maiden name to your married name could make a large difference in your ability to obtain credit, as your married name and maiden name may not be linked within your credit history.



## ***Establish credit history***

Next, make sure that you actually have a credit history. Without any sort of credit history to go on, lenders have a difficult time evaluating whether or not you are a risk. Keep in mind that each individual has their own credit file and report, so spouses will each need credit cards and/or loans in their own name. If you don't like the idea of having credit cards or loans, consider a secured credit card or a credit card with a low limit that you pay off every month, establishing that you are a reliable and trustworthy consumer.

## ***Stay loyal to creditors***

Being loyal to your creditors is the next step. Creditors like to see a strong history so keeping cards open for a long period of time is beneficial to your credit score. While the first credit card you opened may not have terms as appealing as some newer cards, consider contacting your existing lender for better options rather than canceling.

## ***Find a balance***

Next, make sure that you don't have too much open credit. Lenders often look at your credit lines as potential liabilities, and this can hurt you. On the other hand, using a high percentage of your available credit can also be detrimental to your credit score. It's essential that you develop a good balance.

## ***Pay bills on time***

Finally, pay your bills on time. When payments are delinquent, creditors report this information to the credit agencies, and it can harm your credit score. Timely payments

## **About Money Management International**

*Money Management International (MMI) is a nonprofit, full-service credit-counseling agency, providing confidential financial guidance, financial education, counseling and debt management assistance to consumers since 1958. MMI helps consumers trim their expenses, develop a spending plan and repay debts. Counseling is available by appointment in branch offices and 24/7 by telephone and Internet. Services are available in English or Spanish. To learn more, call 800.432.7310 or visit [www.MoneyManagement.org](http://www.MoneyManagement.org).*