

The FICO Score

The most commonly know credit score is the FICO score developed by Fair Isaac & Co. The FICO score, developed by Fair, Isaac (the pioneer in credit scoring) is a number between 300 and 850 that lenders use to determine your credit rating.

A FICO score is a snapshot of your credit rating at a particular point in time. The higher your credit score the more likely you are to be approved for loans and receive favorable rates.

More than 70% of the 100 largest financial institutions use FICO scores to make billions of credit decisions each year, including more than 75 percent of mortgage loan originations.

The FICO score reflects dozens of parameters in one's financial history.

- Score 700-850 smooth loan process; best interest rates
- Score 550-699 Medium risk; higher interest rates
- Score 300-549 High risk

What Helps Credit Scores	What Hurts Credit Scores
Pay all bills on time	Too many credit cards
Maintain 2-4 credit cards	High non-mortgage debt
Close unused credit or store cards	Delinquent Accounts
Pay more than minimums	Frequent job or address changes
Establish long term credit history	Charge off's (un-collectible bills)