

5 Tips for Repairing Your Credit

Is your credit score low, or are you suffering from bad credit? You can repair your credit by following these five tips.

First, you will want to get copies of your credit score from the top credit reporting companies. TransUnion, Experian, and Equifax are the three main credit bureaus. Your credit is based on your individual FICO score. The score is created by using your payment history, the amounts owed, the length of your credit, as well as the types of credit used. When you get your credit report and you have a low score, try to figure out what may be causing the low score. Make sure the report is accurate and there are no errors.

Second, you want to report and dispute any inaccuracies you find. You will need to report any inaccurate information to the credit bureau that created the report.

Third, check your credit card limits. A lot of weight goes into your credit score based on your credit cards. Make sure all of your credit limits are posted on the report.

Fourth, you want to work on keeping your credit card balances 30-35% below their limit. Begin paying your credit card balances down to within the preferred balance. You will need to be able to show several months maintaining a lower balance before applying for credit.

Fifth, you will want to check your credit reports for any missing accounts. It is normal for any of your bad accounts to be shown on your credit report. However, you want to make sure that all of your good accounts are shown on your credit report as well. It is important to show that you have a good history in paying on these accounts.

By reviewing your credit report regularly, you will be able to catch any credit problems and begin repairing them immediately.