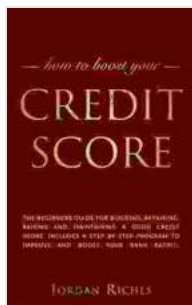


# The Beginner's Guide to Building, Repairing, Raising, and Maintaining Good Credit

Credit is a powerful tool that can help you achieve your financial goals. It can help you qualify for loans, get lower interest rates, and even rent an apartment. But building and maintaining good credit can be a challenge, especially if you're starting from scratch or if you've made some mistakes in the past.



**Credit Score: The beginners guide for building, repairing, raising and maintaining a good credit score. Includes a step by step program to improve and boost your bank rating.** by Jordan Riches



4.3 out of 5

Language : English  
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Screen Reader : Supported  
Enhanced typesetting : Enabled  
Word Wise : Enabled  
Print length : 109 pages  
Lending : Enabled



This guide will provide you with everything you need to know about building, repairing, raising, and maintaining good credit. We'll cover the basics of credit, how to establish credit, how to improve your credit score, and how to avoid common credit pitfalls.

## What is Credit?

Credit is a measure of your ability to repay debts. It's based on your credit history, which is a record of your past borrowing and repayment behavior. Lenders use your credit history to assess your risk as a borrower. The higher your credit score, the lower your risk and the more likely you are to be approved for loans and other forms of credit.

## How to Establish Credit

If you don't have any credit history, you'll need to start by establishing credit. There are a few different ways to do this:

- **Get a credit card.** This is the most common way to establish credit. When you apply for a credit card, the lender will check your credit history and determine your creditworthiness. If you're approved, you'll be given a credit limit, which is the maximum amount you can borrow. You can use your credit card to make purchases and pay off your balance over time. As you make on-time payments, you'll build a positive credit history.
- **Become an authorized user on someone else's credit card.** If you have a friend or family member with good credit, you can ask them to add you as an authorized user on their credit card. This will allow you to use their credit card to make purchases, and their payment history will be reported on your credit report. This is a good way to build credit if you don't have any other credit history.
- **Get a secured loan.** A secured loan is a loan that is backed by collateral, such as a car or a house. If you don't have any other credit history, you may be able to qualify for a secured loan. As you make on-

time payments on your secured loan, you'll build a positive credit history.

## How to Improve Your Credit Score

Once you've established credit, you can start working on improving your credit score. There are a few different factors that affect your credit score, including:

- **Payment history.** This is the most important factor in your credit score. Lenders want to see that you have a history of making on-time payments. If you have any late payments or missed payments, it will hurt your credit score.
- **Credit utilization.** This is the amount of credit you're using compared to your total credit limit. Lenders want to see that you're not using too much of your available credit. If you have a high credit utilization ratio, it will hurt your credit score.
- **Length of credit history.** Lenders want to see that you have a long and stable credit history. The longer your credit history, the better your credit score will be.
- **Credit mix.** This is the variety of credit accounts you have. Lenders want to see that you have a mix of different types of credit, such as credit cards, installment loans, and mortgages. Having a good credit mix will help your credit score.
- **New credit.** When you apply for new credit, it can hurt your credit score. This is because lenders see it as a sign that you're trying to take on too much debt. If you need to apply for new credit, try to do it all at once. This will minimize the impact on your credit score.

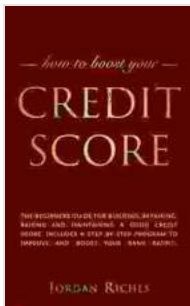
There are a few things you can do to improve your credit score:

- **Make all of your payments on time.** This is the most important thing you can do to improve your credit score. If you have any late payments or missed payments, contact your creditors and make arrangements to catch up. You can also set up automatic payments to avoid missing any payments in the future.
- **Keep your credit utilization low.** Aim to use no more than 30% of your total credit limit. If you have a high credit utilization ratio, try to pay down your balances as quickly as possible.
- **Don't apply for too much new credit.** When you apply for new credit, it can hurt your credit score. If you need to apply for new credit, try to do it all at once. This will minimize the impact on your credit score.
- **Dispute any errors on your credit report.** If you find any errors on your credit report, dispute them with the credit bureau. You can do this online or by mail. If the error is corrected, it will improve your credit score.

## How to Avoid Common Credit Pitfalls

There are a few common credit pitfalls to avoid:

- **Don't max out your credit cards.** If you max out your credit cards, it will hurt your credit utilization ratio. This will lower your credit score and make it more difficult to get approved for future credit.
- **Don't close old credit accounts.** When you close old credit accounts, it can shorten your credit history. This will lower your credit score and

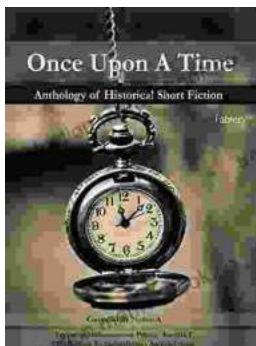


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