CAN YOU REALLY BOOST YOUR CREDIT SCORE?

What consumers should know before paying someone to "fix" their credit

YES - a credit score can improve. But there is usually no legitimate shortcut, and no one can guarantee a particular increase.

A better credit score can affect whether you qualify for credit and how much borrowing may cost. There are legitimate steps that can strengthen your credit profile, but consumers should be cautious about companies promising dramatic, instant, or guaranteed results.

What actually affects a FICO® Score?

FICO groups the information used in its scoring model into five broad categories. The percentages below are general weights and can vary by individual credit profile.

Payment history	Amounts owed	Length of history	New credit	Credit mix
35%	30%	15%	10%	10%

Four practical ways to build stronger credit

1. Pay bills on time. Payment history is the largest general component of a FICO Score. Consistently paying obligations by their due dates helps establish a positive credit history. If you have had problems in the past, a new pattern of on-time payments can help over time.

2. Reduce revolving balances. How much of your available revolving credit you use matters. For example, a $9,000 balance on a card with a $10,000 limit represents very high utilization. Paying down credit-card balances can improve the information being evaluated in the "amounts owed" category.

3. Avoid unnecessary new accounts. Opening several accounts in a short period can signal additional risk. Do not take on debt you do not need simply because someone says opening more accounts will automatically improve your score.

4. Think before closing older accounts. Length of credit history is another scoring factor. An older account that has been responsibly managed may contribute to the age of your credit history. That does not mean every old account should stay open - especially if it has fees - but understand the potential impact before closing it.

Check your credit reports for errors

Review your credit reports for accounts you do not recognize, incorrect balances, payments incorrectly reported as late, outdated or inaccurate information, and possible signs of identity theft. If information is wrong, you have the right to dispute it with the credit bureau and the company that furnished the information.

Official free credit reports: AnnualCreditReport.com

Be careful with "credit repair" promises

The Federal Trade Commission makes an important distinction: accurate and current negative information generally cannot be legally removed simply because you pay a credit-repair company. Anything a credit-repair company can legally do for you, you can generally do yourself for little or no cost.

Warning signs include a company that:

- demands payment before providing credit-repair services;
- guarantees a specific score increase or promises to remove accurate negative information;
- tells you not to contact the credit bureaus directly;
- encourages you to dispute information you know is accurate;
- tells you to lie on a credit application or file a false identity-theft report; or

- promises to create a “new credit identity.”

The bottom line

Think improvement, not instant repair. There is no single action that guarantees a particular score increase. For most consumers, the fundamentals are straightforward: pay bills on time, reduce revolving debt, avoid unnecessary new debt, review credit reports for mistakes, dispute legitimate errors, and give good financial habits time to work.

Trusted sources & more information

- Federal Trade Commission - Fixing Your Credit FAQs
- Federal Trade Commission - Spot the Scams When Fixing Your Credit
- Consumer Financial Protection Bureau - Credit Reports and Scores
- myFICO - How FICO Scores Are Calculated
- AnnualCreditReport.com - Official Free Credit Reports

Questions? We’re here to help.

Grant Marshall Retirement and Wealth Planning
Call or text: 913-353-8484
Email: Jboldt@Grant-Marshall.com
Website: grantmarshallretirement.com/
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