

Managing Your Credit

Wayne Hanson
Mid Oregon Credit Union

Today's Objectives

Review Credit Reports

What is in your credit report.

Sample credit report

Review Credit Scores

What is your credit score

What makes up your credit score

What Lenders Look For

What lenders look at

Tips for working with lenders

How to Improve Your Credit

What will make a difference

Tools you can use

**Managing
Your
Credit**

What Is Credit?



Credit is borrowed money that you can use to purchase goods and services when you need them. You get credit from a credit grantor, whom you agree to pay back the amount you spent, plus applicable finance charges, at an agreed-upon time.



Why Is Good Credit So Important?

Getting a job

Buying a car

Getting Insurance

Starting a Business

Lower Interest Rates



What Is In Your Credit Report?

Identifying Information



Name, Social Security number, date of birth, and address

Job History



Where you have been employed.

Creditors; Payment History



Who you've owed money to and if you've paid on time.

Legal Actions




Bankruptcies, judgments, liens, and lawsuits


Inquiries You Initiated





Inquiries you DON'T initiate won't be seen by lenders.


Credit Report Example- Experian


 Experian
JOHN CONSUMER | Report number 0956-2654-65 | June 30, 2015 | [Print report](#) | [Logout](#)



Personal information



Personal statements


Potentially negative items


Accounts in good standing


Credit inquiries


Important messages


Dispute Cart
(0)

Your credit report

Note: This sample consumer credit report is provided to you for education purposes only in connection with your Experian Credit EducatorSM services. The information provided in this consumer credit report are examples only to illustrate the type of information a consumer may find in a consumer credit report, but is not inclusive of all information that may appear.


Below is all the information currently in your credit report. The payment history guide and common questions will help explain your credit information. Print this page or write down your report number for future access. To return to your report in the future, log on to experian.com/help and select "Credit Access" or "Disputes" and then follow the steps.

To dispute information, first select the item from the list below and the dispute reason that most closely explains the reason you feel the item is inaccurate, or select "Other" and type in your own explanation. You can also upload any documents you may have that support your claim by clicking "Upload" and/or enter any additional information to further explain your dispute by using the free form text box. Your requests, including both disputes and any statements you may elect to add to your credit report to explain information, will be stored in a virtual cart as you continue your session. When finished, you will be given a chance to review all of your requests before they are submitted. Depending on the nature of your requests, you may be prompted for alternative actions, such as selecting a different dispute reason for a particular dispute. You may cancel or edit your requests at any time up until the time they are submitted. Once your requests are successfully submitted, you will receive a green confirmation message for each item.

1 855 246 9409
Contact us by phone - Monday through Friday, 9 a.m. to 5 p.m. in your time zone.

Address
Experian
P.O. Box 9701 Allen, TX 75013

Document upload
Submit documents supporting your claim electronically at experian.com/upload.

 Any pending disputes will be highlighted below.

+ Expand all - Collapse all

Helpful Toolkit

- › Experian Credit Educator?
- › Fraud center
- › Freeze center
- › Know your rights
- › Common questions
- › Credit score

Credit Report Example- Experian

Personal Information				
Name(s) associated with your credit				
Name	Name identification number			
JON CONSUMER	3055		+ Dispute	
JONATHAN CONSUMER	25152		+ Dispute	
J CONSUMER	20726		+ Dispute	
Address(es) associated with your credit				
Address	Address identification number	Residence type	Geographical code	
1475 MAIN ST ANYTOWN USA 12345-1475	0122937323	Single family	0-70010-17-2520	
1036 MAIN ST APT143 ANYTOWN USA 12345-3043	0122868660	Apartment complex	0-1020410-17-2520	
Other personal information associated with your credit				
Social Security number variation(s)				
XXX-XX-2538			+ Dispute	
XXX-XX-1680			+ Dispute	
Year of birth				
1991			+ Dispute	
Spouse or co-applicant				
JANE			+ Dispute	
Notices				
Your date of birth indicates that credit may have been established before age 18.				

[back to top](#)

Credit Report Example- Experian

Your personal statements

General personal statements currently displaying on your personal credit report at your request appear below.

FILE FROZEN DUE TO STATE LEGISLATION. + Options

Add statement(s)

Add personal statement

[back to top](#)

Potentially negative items

No **Public Records** appear on your report.

-	Account name 123 CREDIT CARDS 2000 MAIN ST ANYTOWN, USA 12345 <i>No phone number available</i> Address identification number 0122868651	Account number 40034424804.... Type Credit card Terms Revolving	Recent balance \$273 as of 06/03/2015 Credit limit or original amount Not reported High balance \$14,219 Monthly payment \$10 Recent payment amount \$0 Past due amount \$20	Date opened 11/2013 Date of status 06/2015 First reported 12/2013 Responsibility Individual	Status Open.	+ Dispute
----------	---	---	--	--	-------------------------------	------------------

Account history

2015	May	Apr	Mar	Feb	Jan	Dec	2014	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	2010	Nov	Oct	Sep	Aug	Jul	Jun	May
	OK	OK	OK	OK	OK	OK		OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK		OK	OK	OK	OK	OK	OK	

Payment history guide

30 days past due as of Jun 2015

[back to top](#)

Credit Report Example- Experian

Accounts in good standing																										
Account name	Account number	Recent balance	Date opened	Status	+ Dispute																					
HOMETOWN AUTO	1032911005...	\$11,616	03/2013	Current.																						
15520 E ELM ST STE 300 ANYTOWN, USA 12345 866 555 5555 Address identification number 0122868651	Type Auto Terms 60 Months	Credit limit or original amount \$19,118 High balance \$19,118 Monthly payment \$350 Recent payment amount \$350	Date of status 05/2015 First reported 04/2013 Responsibility Individual																							
Account history																										
2015	May	Apr	Mar	Feb	Jan	2014	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	2013	Dec	Nov	Oct	Sep	Aug	Jul	Jun
	OK	OK	OK	OK	OK		OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK		OK	OK	OK	OK	OK	OK	OK
Account name	Account number	Recent balance	Date opened	Status	+ Dispute																					
AMERICAN APARTMENTS	48886031311....	\$4,000	10/2014	Inactive/Never late.																						
PO BOX 981400 ANYTOWN, USA 54321 800 555 5555 Address identification number 0122868651	Type Rental Terms 12 months	Credit limit or original amount \$12,000 High balance \$12,000 Monthly payment \$1,000 Recent payment amount \$1,000	Date of status 05/2015 First reported 11/2014 Responsibility Individual																							
Account history																										
2015	May	Apr	Mar	Feb	Jan	2014	Dec	Nov																		
	OK	OK	OK	OK	OK		OK	OK																		

[back to top](#)

Credit Report Example- Experian

[back to top](#)


Credit inquiries

We make your credit history available to your current and prospective creditors and employers as allowed by law. Personal data about you may be made available to companies whose products and services may interest you. As required by the Fair Credit Reporting Act, we display these requests for your credit history as a record of fact.

Inquiries shared with others [?](#)

None

Inquiries shared only with you [?](#)

Account name	Date of request(s)	+ Options
 EXPERIAN	08/06/2013	

[back to top](#)

Important messages

Experian collects and organizes information about you and your credit history from public records, your creditors and other reliable sources. By law, we cannot disclose certain medical information (relating to physical, mental, or behavioral health or condition). Although we do not generally collect such information, it could appear in the name of a data furnisher (i.e., "Cancer Center") that reports your payment history to us. If so, those names display in your report, but in reports to others they display only as "Medical Information Provider." Consumer statements included on your report at your request that contain medical information are disclosed to others.

[back to top](#)

Know your rights

Para informacion en espanol, visite www.consumerfinance.gov/learnmore o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, D.C. 20552.

A Summary of Your Rights under the Fair Credit Reporting Act
The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, D.C. 20552.**

What is Your Credit Score?

850

Helps lenders decide how likely you are to repay your debts

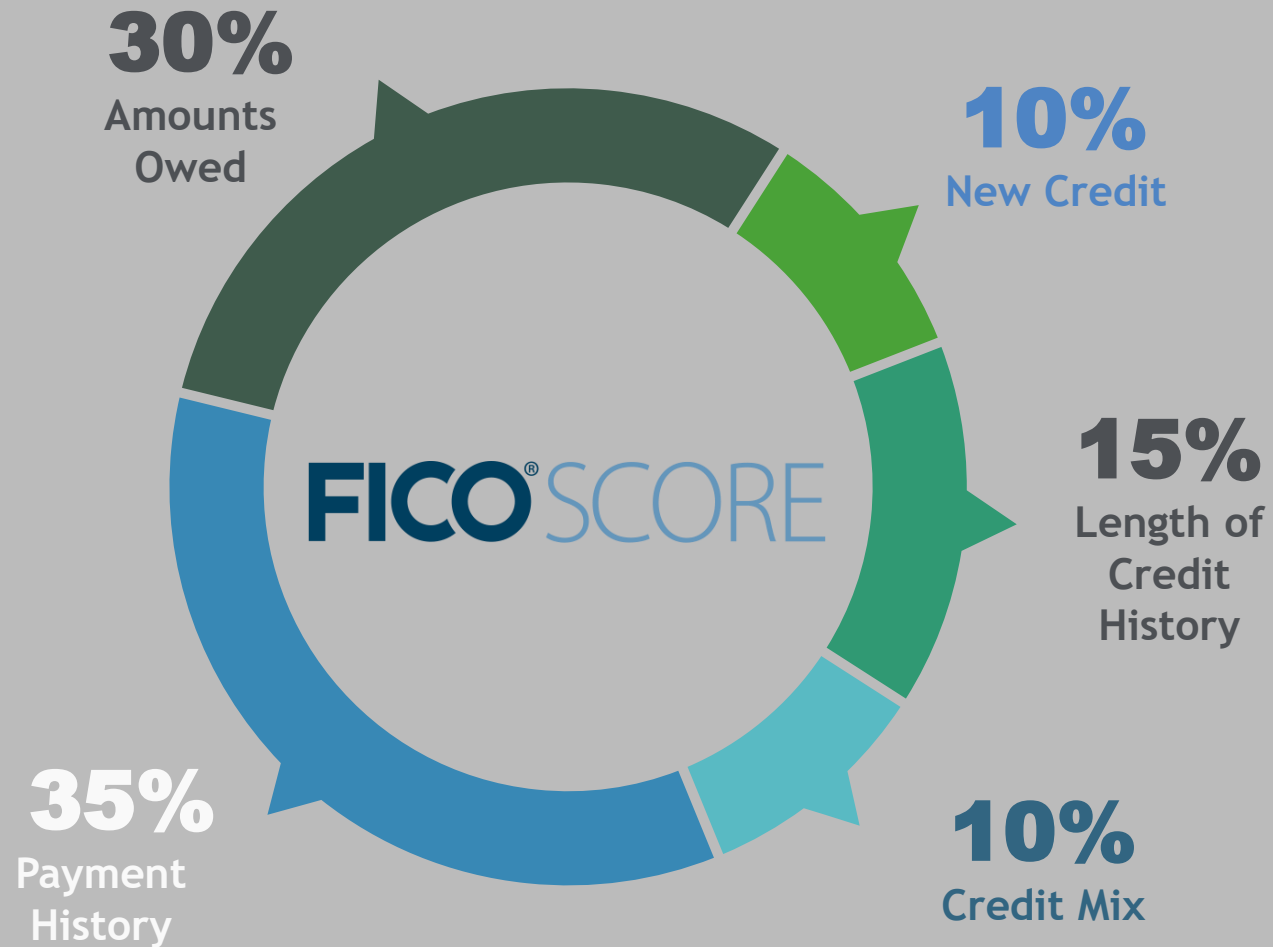
711

Several types, with the FICO score being the most common

300

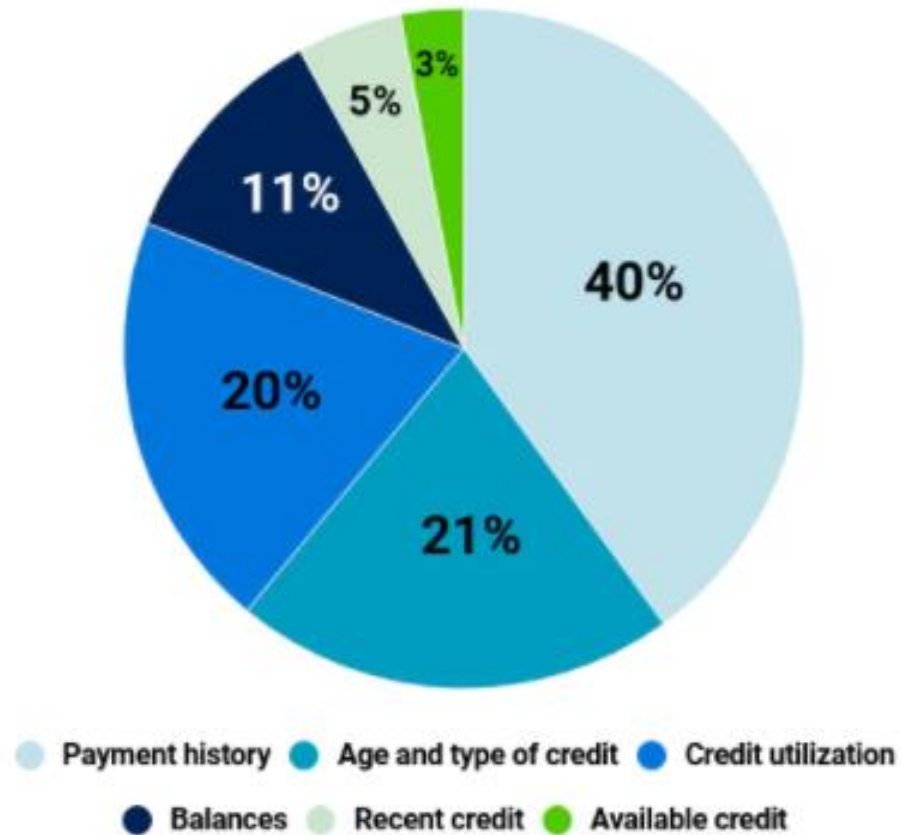
Calculated using information from your credit reports

How is Your FICO® Score Determined?



How is Your Vantage 3.0 Score Determined?

Factors that make up your VantageScore 3.0® credit score



Questions?

Working With Lenders



Debt to income

Total Monthly Debts
/ Gross Monthly
Income:

We like to see this
below 40-45%



Living expenses

Mortgage
payments, rent-
minimum \$300..



Stability

Length of job &
length of residence



Unsecured debt

High balances may
be challenging

Working with Lenders-Tips



Explain: Negative impacts, recent moves, derogatory accounts.



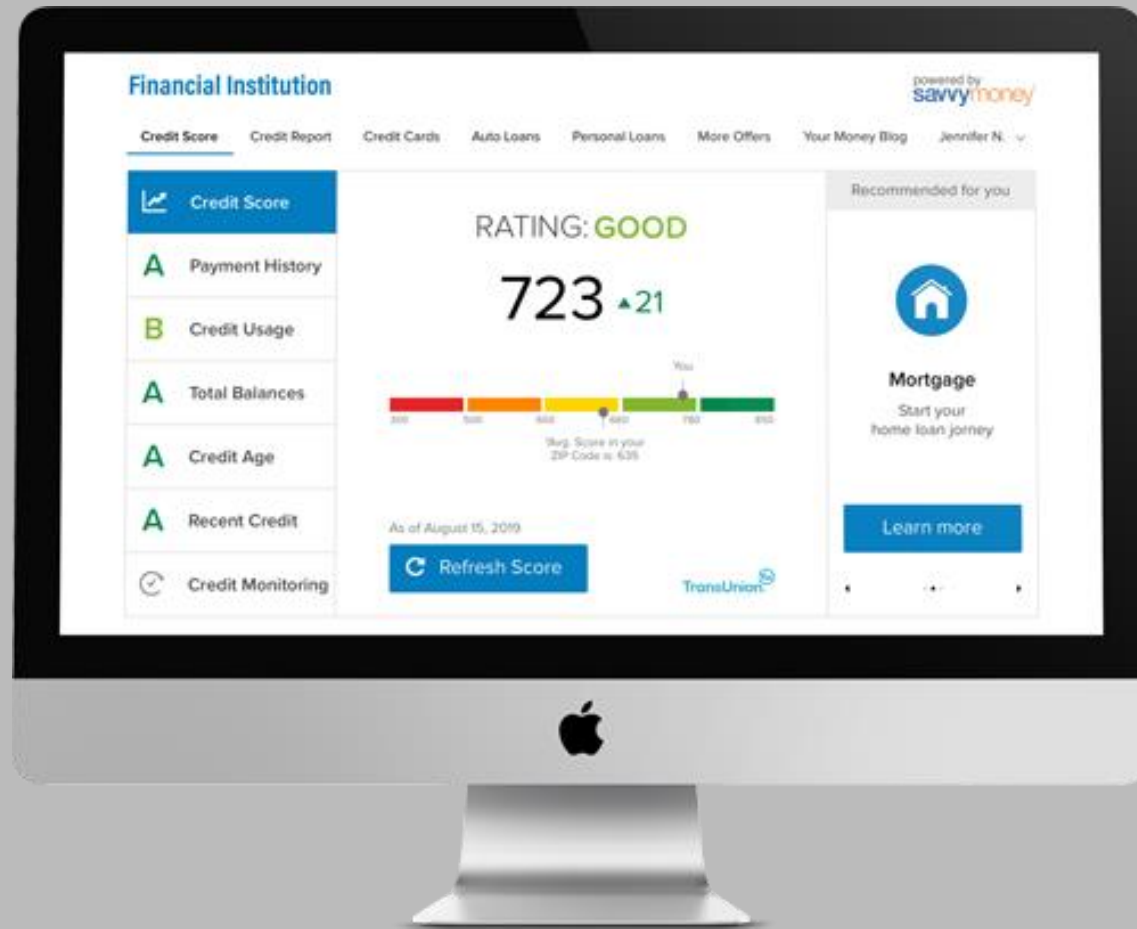
Have documentation ready: paystub, address verification, etc.



Is there collateral you can use? Paid off or down vehicle? Home equity?

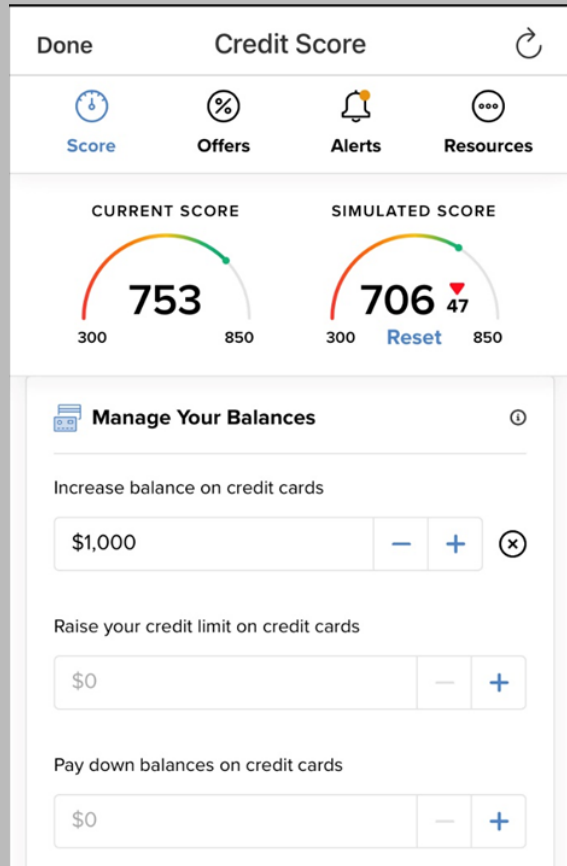
On-demand Credit Score & History

Credit Savvy

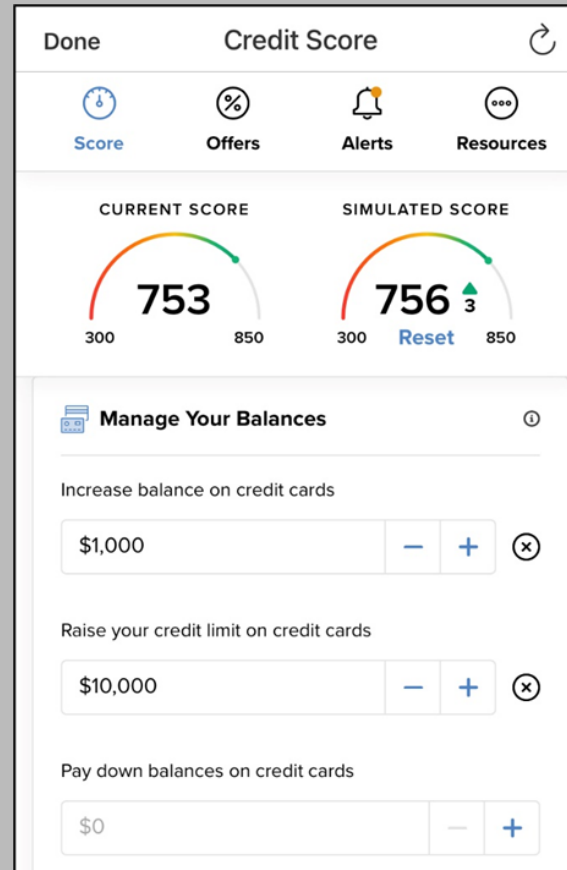


Simulations- Credit Card Limits & Balances

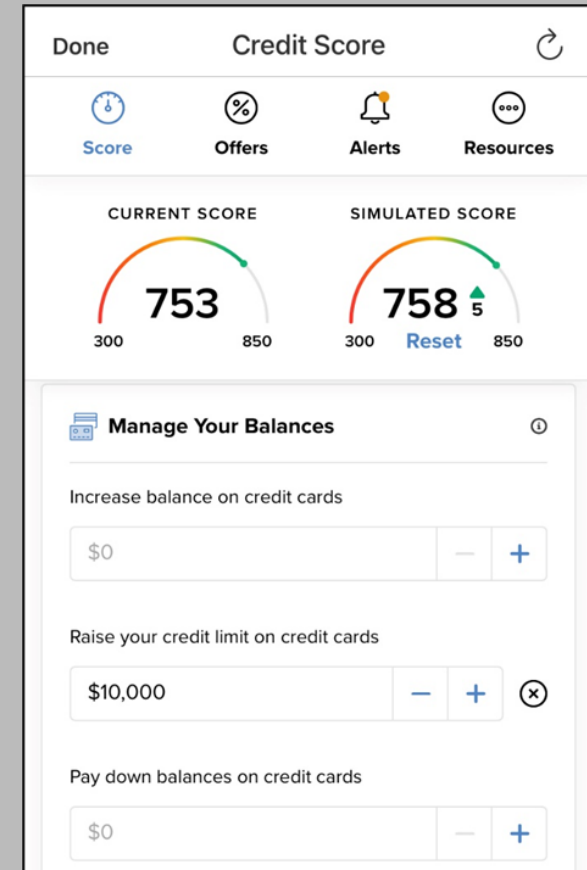
Increasing Balance by \$1,000



Increasing Balance & Credit Limit

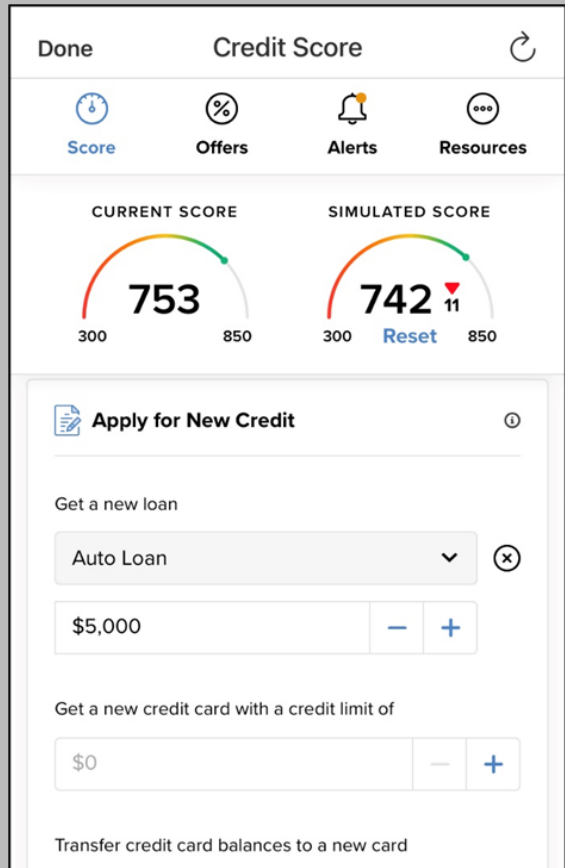


Increasing Credit Limit

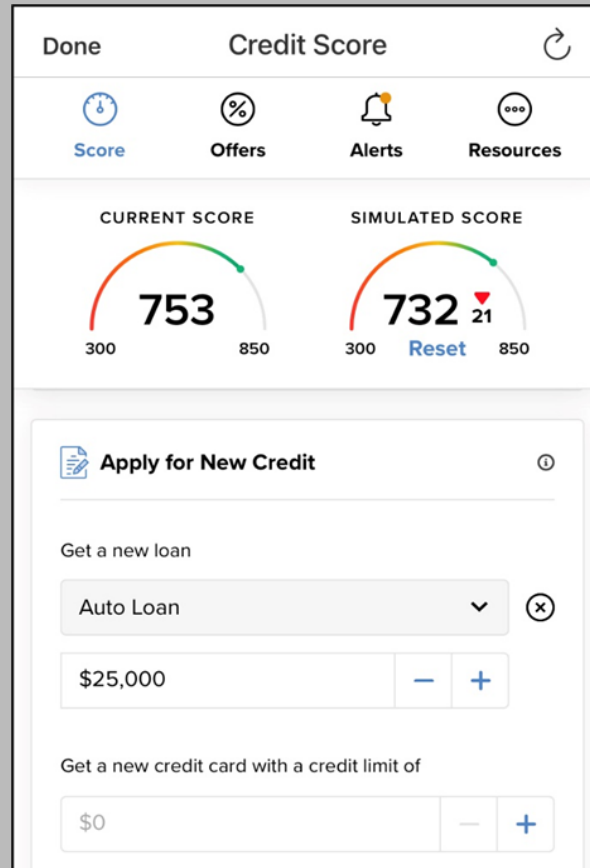


Simulations- Get New Loan

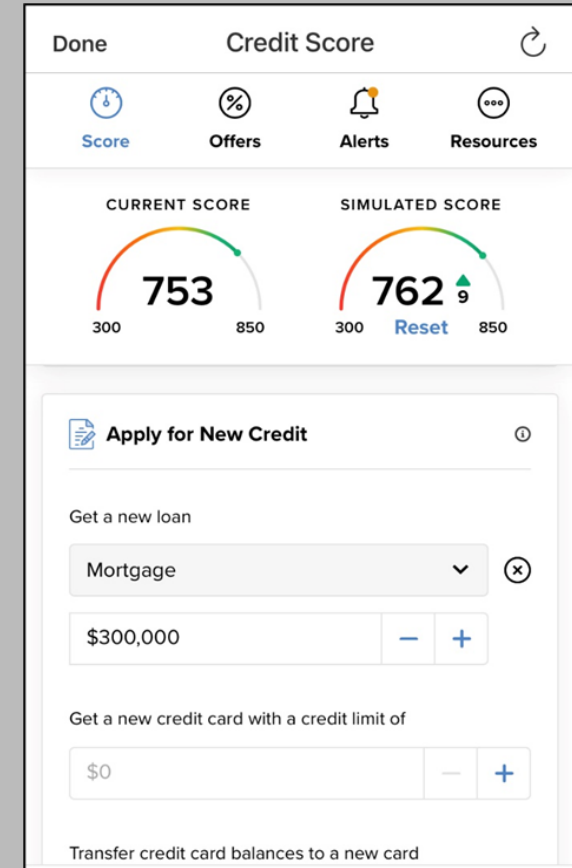
Get \$5,000 Auto Loan



Get \$25,000 Auto Loan



Get \$300,000 Home Loan



Simulations- Miscellaneous

Close Oldest Credit Card

CURRENT SCORE

823

300 850

SIMULATED SCORE

796 ▼ 27

300 [Reset Score](#) 850

Simulate Your Credit Score
Use the credit simulator to see what happens to your score if you were to take certain actions:

Manage Your Balances ⓘ

Increase balance on credit cards - +

Raise your credit limit on credit cards - +

Pay down balances on credit cards - +

Pay off all credit card balances **NO**

Close the oldest credit card **YES**

Manage Payment Activity ⓘ

Miss a monthly payment 1 mo. 2 mo. 3 mo.

Make on-time payments for - 0 +

Credit Card Application Inquiry

CURRENT SCORE

823

300 850

SIMULATED SCORE

819 ▼ 4

300 [Reset Score](#) 850

Simulate Your Credit Score
Use the credit simulator to see what happens to your score if you were to take certain actions:

Apply for New Credit ⓘ

Get a new loan - +

Get a new credit card with a credit limit of - +

Transfer credit card balances to a new card - +

Inquiry on file from a credit card application **YES**

Manage Your Balances ⓘ

Increase balance on credit cards - +

Raise your credit limit on credit cards - +

Pay down balances on credit cards - +

Calculators: Vehicle Affordability

This calculator will help you to compute how much car you can afford.

Down Payment:	<input type="text" value="2000"/>
Monthly Payment You Can Afford:	<input type="text" value="350"/>
Expected Annual Interest Rate:	<input type="text" value="5.99"/>
Loan Term:	<input type="text" value="60"/>
Value of Your Trade-in:	<input type="text" value="\$"/>
Cash Rebate to Be Added to Down Payment:	<input type="text" value="\$"/>
<input type="button" value="CALCULATE"/>	
You will be able to afford a vehicle that costs:	<input type="text" value="\$20,108"/>
Loan amount you would need to qualify for:	<input type="text" value="\$18,108"/>

Calculators: Debt Consolidation

How much can I save if I consolidate my debt?

	Debt Name	Balance Owed
1	Capital One	\$3,500.00
2	Macy's	\$2,300.00
3	Alaska	\$7,300.00
4		

An empty line will be added automatically as you fill in the last loan.

Balance Total \$13,100.00

Borrow Additional \$

Consolidation Loan Amount \$13,100.00

Interest Rate 4.9900 %

Length of Loan 6 Years

Additional Principal \$ Each Month

Monthly Payment \$210.92

Total Interest \$2,085.73

Total Paid \$15,185.73

Payoff Time 6 Yrs

Number of Payments

72

Annual Cost

\$2,531.04

Calculators: Debt Consolidation

9% Personal Loan 6 Year Term

Monthly Payment	\$236.14
Total Interest	\$3,901.57
Total Paid	\$17,001.57
Payoff Time	6 Yrs

Number of Payments

72

Annual Cost

\$2,833.68

4.99% Secured/Auto Loan 6 Year Term

Monthly Payment	\$210.92
Total Interest	\$2,085.73
Total Paid	\$15,185.73
Payoff Time	6 Yrs

Number of Payments

72

Annual Cost

\$2,531.04

Questions?

Thanks
for
joining us!