

6 Steps to Boosting Your Credit Score.



The interest rates, loan benefits, and types of credit and loan programs available to you are often based on your credit score. There are plenty of things you can – and should – consider doing that may improve your credit score. **We've got six of them here.**

- 1 Review Your Credit Report.** You're allowed one free credit report each year from the three consumer reporting agencies (find them at annualcreditreport.com). If you find inaccurate information on one of your reports, it may be wrong with all three reporting agencies. You may improve your credit score by notifying all reporting agencies to have them correct any inaccurate amounts, invalid accounts, or mistaken late payments that adversely affect you.
- 2 Use Payment Reminders.** Timely payments are one of the best ways you can improve your credit. Set up reminders or use automatic payments to make sure you don't have late payments.
- 3 Make Extra Payments.** If you can afford to, pay down your bills twice a month rather than once a month. This improves your credit score by lowering your credit utilization (the percentage of your available credit used during a billing cycle). Keeping your balance low on credit cards and making regular payments are key in boosting your credit score.
- 4 Limit Applications for New Credit.** If you apply for multiple new accounts in a short amount of time, it may decrease your credit score.
- 5 Contact Creditors for Help.** If you can't afford a monthly bill, quickly contact your creditor to see if setting up a payment plan is an option. This could reduce the negative effects of late payments on your credit, helping to protect your credit score.
- 6 First Pay Down Maxed Out Cards.** If one of your credit cards is at or near the credit limit, one recommendation is to pay down that credit card balance first before paying down other balances. The goal is to never borrow more than 30% of your available credit on a card to build a positive history.

Know what helps or hurts your credit, take the steps you need to build your credit – and put your hard-earned cash toward paying off your debt.

To learn more, go to NelnetBank.com

Nelnet Bank does not provide legal, investment, tax, or financial advice. This page and the information contained herein is for informational purposes only. This content is not meant to address the circumstances of any particular individual. Nothing contained in this article constitutes a recommendation or endorsement by Nelnet Bank. For specific advice about your unique circumstances, consult with a qualified professional.

From time to time, articles may provide hyperlinks to web pages operated by third parties. When you click on these hyperlinks, you will be leaving Nelnet Bank's website. Nelnet Bank has no control over such sites or their content, and is not responsible or liable for any such site or content. Nelnet Bank does not endorse or recommend the contents of the third-party sites. Your use of a third party website is subject to their terms of use and privacy policy.

 **nelnetbank**[™]

Member
FDIC