If you were going to lend someone money, wouldn’t you want to know that you would be repaid? A **credit report** (or credit history) is a record of how you have borrowed and repaid debts. There are three bureaus that provide credit reports for you: Experian, Equifax, and TransUnion. A **credit score** is a number that summarizes your credit history. The purpose of these scores is to help lenders determine if you are a risky borrower. Scores range from 350 to 850.

### 1. The Providers

<table>
<thead>
<tr>
<th>Lenders</th>
<th>Utilities*</th>
<th>Collections*</th>
<th>Courts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortage</td>
<td>Cable</td>
<td>Landlords</td>
<td>Bankruptcy</td>
</tr>
<tr>
<td>Auto Loans</td>
<td>Phone</td>
<td>Return Checks</td>
<td>Judgements</td>
</tr>
<tr>
<td>Credit Cards</td>
<td>Mobile Phone</td>
<td>Doctors</td>
<td>Tax Lien</td>
</tr>
<tr>
<td>Student Loans</td>
<td>Gas</td>
<td>Hospitals</td>
<td></td>
</tr>
<tr>
<td>Personal Loans</td>
<td>Electric</td>
<td>Utilities</td>
<td></td>
</tr>
</tbody>
</table>

### 2. Three Major Credit Agencies

- Equifax
- Experian
- TransUnion

Producing Three Credit Reports

### 3. FICO Produces Three Credit Scores

- **Equifax**: 697
- **Experian**: 702
- **TransUnion**: 683

*Does not increase or help your score when paid responsibly, however they impact your score negatively when not paid.

**Modified from Table in *The Road to 850* by Al Bingham"
CREDIT SCORES

How is your FICO score calculated?

Payment History: Paying your bills on time

Amounts Owed: Divide your debt on revolving credit lines by the amount of revolving credit available to you. Try to keep this ratio below 25%

Length of Credit History: How long accounts have been open and average age of all your accounts.

New Credit: A recently opened account can help your credit score but multiple inquiries for credit in a short period of time can hurt your score.

Types of Credit: Having credit cards and installment loans with a good credit history will raise your score.

Important Information:

- You can receive a free credit report ONLY from www.annualcreditreport.com. Request one from each of the 3 credit bureaus every 4 months (e.g. Equifax each January, Experian each May, Trans Union each September.

- To get your true FICO score, you will have to go to www.myfico.com and pay a fee.

- Don’t close your oldest revolving line of credit because it will shorten your credit history.

- Not having credit cards can make you appear riskier to lenders than someone who manages their credit cards responsibly.