

Top 10 MYTHS and MISTAKES about credit, people make:

1. Paying off old collection accounts believing it will improve their score
2. Filing bankruptcy or using credit counseling as a means to improve credit
3. Applying for new credit to consolidate debt
4. Canceling old credit cards
5. Shopping for credit to get the best interest rates
6. Not using their credit cards at all
7. Using a small amount of credit and then paying it off early, before receiving a bill
8. Using a small amount of credit and then paying it off in full at the end of the month
9. Believing paying things current will fix their credit (late payments compared to on-time)
10. Applying for new credit cards to drive their credit score up

Top 4 Credit Tips

1. **Pay down your high balances** and keep them low! Below 30%, BUT NOT TO ZERO
2. **Always pay your bills on time** However, **Don't pay off old collections right before getting a mortgage**, This can update old information and have the collection re-post as a new paid collection.
3. **Don't add a formal dispute to your report**. This will be a permanent dispute and damage your score.
4. **Don't engage or settle with creditors Right before getting a mortgage**. This updates your DOLA (date of last activity) and hurts your score. No talking to creditors.



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