

Give yourself some credit

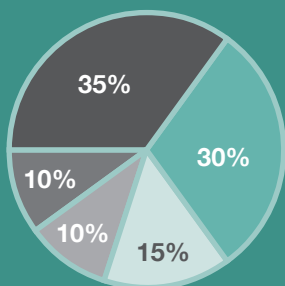
Here's how a good credit score can work in your favor when you apply for a mortgage.



What is a credit score?

Simply put, your credit score is a number that represents your creditworthiness. It's a quick way for lenders to tell how you've managed money in the past and how much responsibility they feel you can handle given your current financial situation. Scores range from poor (300–550) to good (680–740) to excellent (740–850).

How is your credit score calculated?



Source: Fair Isaac Corporation

35% Payment track record

Do you have a history of paying bills on time?

30% Debt load

How much do you owe creditors?

15% Length of credit history

Have you managed credit accounts responsibly over time?

10% New credit

Have you been extended new credit in the past 12 to 18 months?

10% Mix of credit types

Are your credit accounts a healthy, balanced mix between revolving credit cards and installment loans? How much credit do you have available to you?

How does your credit score affect your mortgage loan rate?

In general, the better your credit score, the better interest rates you're likely to get on a home loan. We can count on you to pay back the money we lend you.

A lower score? You may be a bigger risk and may be charged a higher rate in order to borrow money. Typically, any history of nonpayment or late payment lowers a credit score and raises interest rates.

You've got an ally

We want you to be a successful borrower, and we'll determine your loan pricing by evaluating your financial situation. In addition to your current credit score, we'll look at:

- Your gross monthly income in relation to your debt load.
- The property you're considering.
- Your overall credit history.

Keep in mind that home loan pricing could change after the initial loan application review if

any financial factors, such as your credit history, change before closing.

The bottom line

Your credit history affects your borrowing options, so it's important to know what your credit score is and to understand the variables that affect it.

Request a free annual credit report from each of the three main credit bureaus at www.AnnualCreditReport.com