








How Your Credit Score Affects Your Mortgage Rate

FICO® Credit Scores help creditors assess the risk of lending money. Credit scores are calculated using a mix of payment history, amounts owed, length of credit history, new credit and credit mix. Your credit score is a big part of determining your mortgage loan eligibility and rate, along with your debt-to-income ratios. Improving your credit score could significantly affect what you pay for your mortgage loan.

CREDIT SCORE	MORTGAGE LOAN AMOUNT	INTEREST PAID
Below 580	 Rent Only	
580-619	Limited Government Options	
620-639	 7.702%	\$113,431
640-659	 7.543%	\$105,556
660-679	 7.425%	\$99,754
680-699	 7.351%	\$96,109
700-759	 7.22%	\$89,703
760-850	 6.971%	\$77,616

Based on \$200,000, 30 year-fixed mortgage

Tips to Improve Your FICO Credit Score

- Work with your Credit Union to review factors affecting your score.
- Dispute inaccurate information.
- Pay bills on time.
- Reduce the amount of debt owed.
- Keep balances low on credit cards and other revolving credit.
- Pay off debt rather than moving it around.
- Don't open a lot of new accounts too rapidly.
- Spend below your credit limit.
- Maintain a healthy mix of credit cards and loans.
- Only apply for credit cards you intend to keep and build a history.