

CONSIDERING A NEW HOME THIS YEAR?

START NOW AND GET A JUMP ON IMPROVING YOUR CREDIT SCORE



START 2021 WITH A GOAL OF HOMEOWNERSHIP

In the market for a new home in 2021? With the new year here, it's time to get your finances in order. Let's explore a few tips that will help you get a jump on improving your credit score.

The first step is to order a fresh copy of your credit report from one of the major agencies. The Fair Credit Reporting Act allows you to access a free copy of your credit report once every 12 months. If you have not ordered a copy recently, it is time to do so. You can access this free service through AnnualCreditReport.com, which is the website recommended by the Federal Trade Commission.

Now that you have a copy of your credit report, it's time to go through it, line-by-line. You should recognize every current and outstanding account in the report. Any balances owing should be in order and reflect how much you owe. It's critical that you flag any mistakes or old debts that you have already paid in full. If you come across anything that shouldn't be on your credit report, call the reporting agency to let them know. If necessary, they will assist you with challenging the issue.

The final tip is to prioritize your outstanding debts so that you can pay them off more efficiently. The essential debt payments are your mandatory minimums, which you need to pay to avoid being sent to a collection agency. From there, try to pay off your debts with the highest interest rates first.

Getting these paid off faster means that over time, you're spending less on interest payments.

Moreover, you can use that extra cash to pay your debts down further.

The above are just a few of the action steps that you can take today to start improving your credit score. When you're ready to discuss a mortgage for your new home, give me a call. I will be happy to advise you on the mortgage offer that suits your needs, budget and credit.



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