

THE REAL ESTATE SOCIAL CLUB

CREDIT IMPROVEMENT GUIDE

A STRONGER CREDIT SCORE OPENS BETTER INTEREST RATES, MORE BUYING POWER, AND SMOOTHER APPROVALS. HERE'S A SIMPLE, REAL-WORLD GUIDE TO BOOST YOUR SCORE — QUICKLY AND SUSTAINABLY.

1. PAY ON TIME (NON-NEGOTIABLE)

PAYMENT HISTORY IS THE BIGGEST FACTOR IN YOUR CREDIT SCORE.

WHY IT MATTERS: EVEN ONE 30-DAY LATE PAYMENT CAN DROP A SCORE 50–100 POINTS.

QUICK WIN: SET UP AUTO-PAY FOR MINIMUMS + CALENDAR REMINDERS FOR EVERYTHING ELSE.

2. LOWER YOUR CREDIT CARD BALANCES (UTILIZATION)

CREDIT UTILIZATION = HOW MUCH OF YOUR LIMIT YOU'RE USING.

GOAL: STAY UNDER 30% (UNDER 10% FOR MAXIMUM LIFT).

QUICK WIN: MAKE A PAYMENT BEFORE YOUR STATEMENT DATE SO THE LOWER BALANCE GETS REPORTED.

3. KEEP OLDER ACCOUNTS OPEN

LENGTH OF CREDIT HISTORY BUILDS TRUST WITH LENDERS.

TIP: DON'T CLOSE OLD CARDS, EVEN IF UNUSED. CHARGE ONE SMALL SUBSCRIPTION AND AUTO-PAY IT MONTHLY.

4. MINIMIZE NEW CREDIT PULLS

HARD INQUIRIES TEMPORARILY LOWER YOUR SCORE.

BEST PRACTICE: SPACE APPLICATIONS AT LEAST 90 DAYS APART UNLESS RATE-SHOPPING FOR A MORTGAGE OR AUTO LOAN (THOSE PULLS COUNT AS ONE).

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5. CHECK & DISPUTE ERRORS

ERRORS ON YOUR CREDIT REPORT ARE MORE COMMON THAN PEOPLE THINK.
WHERE TO CHECK: [ANNUALCREDITREPORT.COM](https://annualcreditreport.com) (FREE WEEKLY REPORTS).
WHAT TO LOOK FOR:

WRONG ADDRESSES

ACCOUNTS THAT AREN'T YOURS

INCORRECT LATE PAYMENTS

CLOSED ACCOUNTS REPORTING OPEN

WRONG BALANCES

DISPUTE: WITH EACH BUREAU (EXPERIAN, TRANSUNION, EQUIFAX).

6. ADD POSITIVE TRADELINES

IF YOUR CREDIT FILE IS THIN OR NEEDS A BOOST:

BECOME AN AUTHORIZED USER ON SOMEONE'S WELL-MANAGED CARD (LOW BALANCE, LONG HISTORY).

HAVE RENT, UTILITIES, OR CELL PHONE BILLS REPORTED USING SERVICES LIKE EXPERIAN BOOST OR RENTAL REPORTING.

7. PAY DOWN "SMALL STINGERS" FIRST

PAYING OFF SMALLER REVOLVING BALANCES CAN QUICKLY DROP UTILIZATION RATIOS ACROSS ACCOUNTS.

STRATEGY: SNOWBALL: SMALLEST → BIGGEST.

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8. AVOID MAXING OUT CARDS

EVEN IF YOU PAY IN FULL EACH MONTH, MAXED-OUT CARDS LOOK RISKY.

TIP: KEEP SPENDING SPREAD ACROSS MULTIPLE CARDS SO NO SINGLE CARD REPORTS HIGH USAGE.

9. BUILD A CLEAN 90-DAY WINDOW

A 3-MONTH STREAK OF ON-TIME PAYMENTS + LOW BALANCES OFTEN RESULTS IN NOTICEABLE SCORE JUMPS.

THINK OF IT AS A “RESET PERIOD” FOR YOUR CREDIT HEALTH.

10. CONSIDER A SECURED CREDIT CARD (IF REBUILDING)

FOR CREDIT REBUILDERS:

PUT DOWN A DEPOSIT

USE THE CARD LIGHTLY

PAY IT OFF EVERY MONTH

WITHIN 6–12 MONTHS, LENDERS OFTEN UPGRADE THE ACCOUNT AND YOUR SCORE RISES.

11. DON'T SKIP MEDICAL BILLS OR COLLECTIONS

EVEN SMALL MEDICAL OR UTILITY COLLECTIONS HARM SCORES.

GOOD NEWS: MANY MEDICAL COLLECTIONS CAN BE REMOVED AFTER THEY'RE PAID OR IF THEY WERE INCORRECTLY REPORTED.

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12. KEEP CREDIT MIX BALANCED

SCORES IMPROVE WHEN YOU HAVE A BLEND OF:

REVOLVING CREDIT (CREDIT CARDS)

INSTALLMENT LOANS (AUTO, PERSONAL, STUDENT, MORTGAGE)

13. COMMUNICATE WITH CREDITORS BEFORE YOU'RE LATE

IF YOU'RE EVER IN A PINCH, CALL THE LENDER BEFORE YOUR DUE DATE.
MANY OFFER:

HARDSHIP PLANS

PAYMENT DEFERRALS

INTEREST-ONLY PERIODS

THESE OPTIONS PROTECT YOUR SCORE.