



**DIVISION OF AGRICULTURE**  
**RESEARCH & EXTENSION**  
*University of Arkansas System*



## **Build Your Best Credit Score**

Land the job, acquire the apartment, receive lower insurance premiums, and qualify for lower interest rates on a loan. It pays to have a good credit score. Here are some ways you can build your credit score.

**Monitor your credit report.** Check your free annual credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com). You are entitled to a free annual report from each of the three credit reporting companies. If you find an error, notify the credit reporting company and the lender. If you suspect fraud, contact the Federal Trade Commission.

**Check your credit score.** Credit scores are available from a variety of different sources. You typically won't find vast differences from one agency to the next because they are all based on your credit management. Most scoring systems range from 300 to 850, the higher the better.

**Understand the scoring system.** Want to improve your score? You'll need to know what factors influence the score. Scoring models vary but critical to all are: Pay bills on time, keep balances low, use a variety of types of credit.

**Find your motivation.** Money itself is not the end goal. The purpose of money and all resources is to create the life you want. How do you envision life in 10 years? You are more likely to achieve your goals if you write them down and look at them often.

**Manage debt wisely.** When used properly, debt can be used to acquire appreciating assets and can help build your credit score. Use caution, debt can become a trap.



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