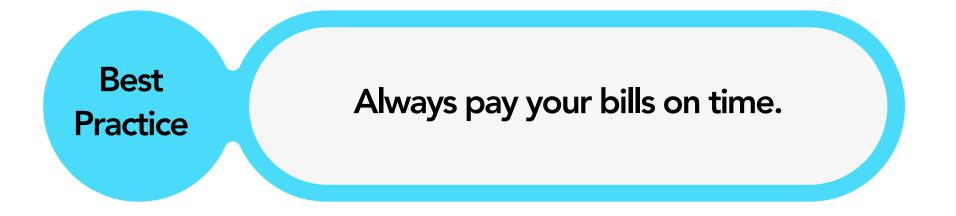
# The Art of Credit Score Maintenance: A Practical Approach

Timely Payment of Bills



## How to Achieve:

- Set up automatic payments or reminders for due dates.
- Prioritize paying at least the minimum amount due if full payment isn't possible.

# Why It Matters:

 Payment history is the most significant factor in most credit scoring models. Late or missed payments can severely impact your credit score.



# Maintain Low Credit Utilization



### How to Achieve:

- Aim to use less than 30% of your available credit.
- Pay down high balances as quickly as possible.
- Request a credit limit increase, but avoid increasing spending.

# Why It Matters:

 Credit utilization ratio directly affects your score. Lower utilization indicates responsible credit management.

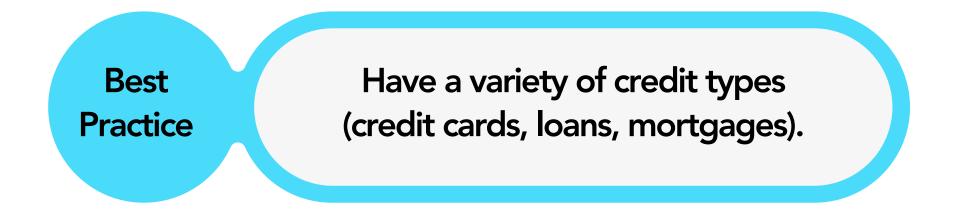


Build a Long Credit History





Maintain a Diverse Credit Mix



### How to Achieve:

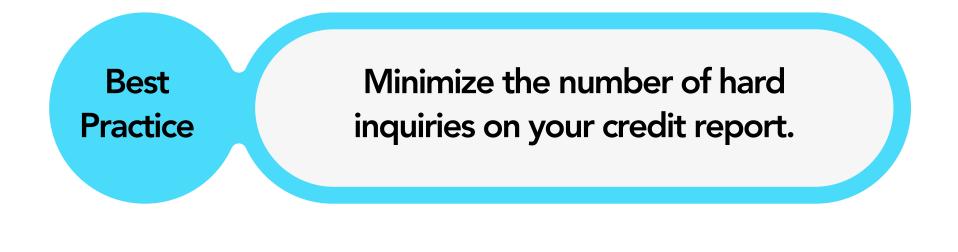
#### Why It Matters:

- Use different types of credit responsibly.
- Consider a small personal loan if you only have credit cards.

 A diverse mix of credit types can demonstrate your ability to manage various forms of credit.



**Limit New Credit Inquiries** 



## How to Achieve:

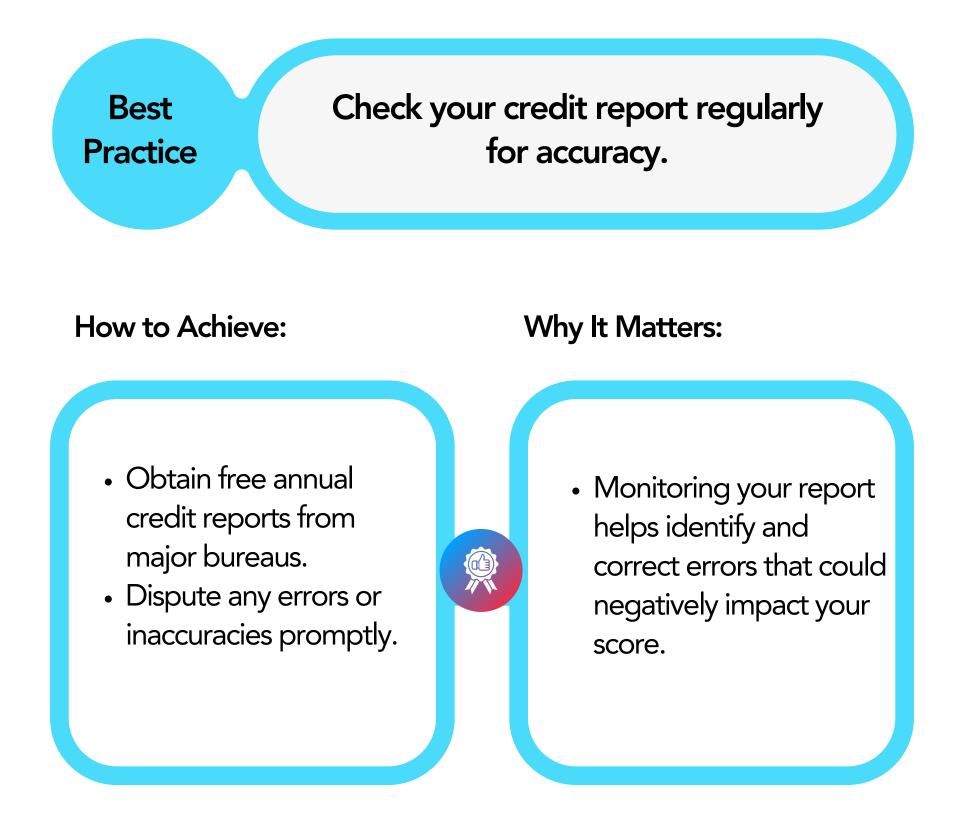
### Why It Matters:

- Only apply for new credit when necessary.
- Space out credit applications over time.

 Frequent inquiries can suggest risk and lower your score. Fewer inquiries indicate stability and careful credit management.



# **Regularly Monitor Your Credit Report**





**Reduce Debt Levels** 



## How to Achieve:

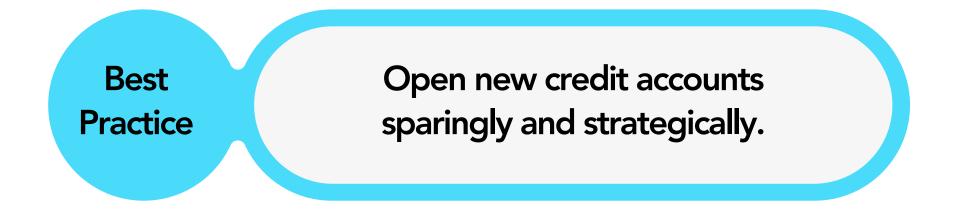
# Why It Matters:

- Follow a debt repayment plan, like the snowball or avalanche method.
- Prioritize high-interest debts first.

 Lower debt levels improve your credit utilization ratio and demonstrate responsible financial management.



# Avoid Opening Multiple New Accounts Quickly



## How to Achieve:

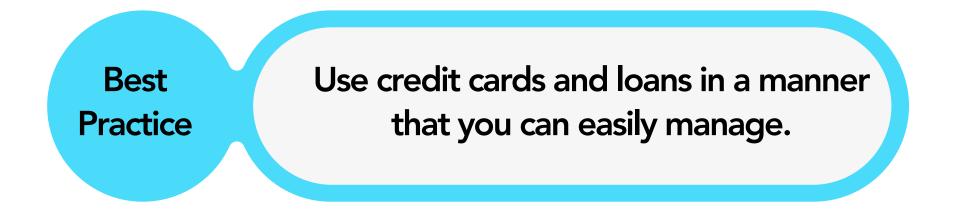
### Why It Matters:

- Consider the necessity of new accounts before applying.
- Focus on maintaining existing accounts.

 Opening multiple accounts in a short period can lower your average account age and signal financial instability.



Use Credit Responsibly



### How to Achieve:

### Why It Matters:

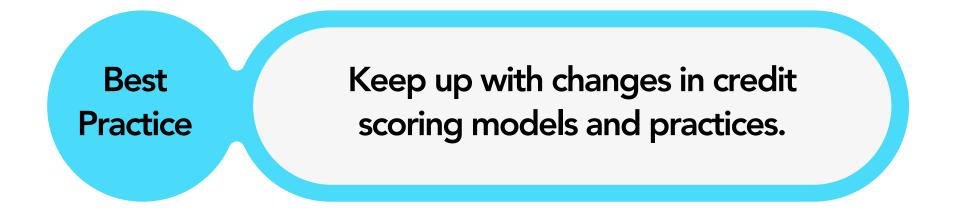
- Make purchases you can pay off in full each month.
- Avoid carrying large balances.



 Responsible credit use helps maintain a good credit utilization ratio and payment history.



# Stay Informed About Credit Scoring Changes



#### How to Achieve:

### Why It Matters:

- Follow financial news and updates from credit bureaus.
- Adjust your credit management strategies accordingly.

 Staying informed helps you adapt to changes that could affect your credit score, ensuring long-term credit health.





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