

REVOLVING CREDIT UTILIZATION

CREDIT CARDS, CHARGE CARDS, LINES OF CREDIT & HELOC



REVOLVING CREDIT (TWO RULES)

YOU MUST COME TO UNDERSTAND THESE!

1. The balance on any account the day after the **Statement Closing Date** * is what is reported to the Credit Bureaus for that billing period; it may take a couple weeks to show up on the Credit Report, but that is where it comes from each month.
2. If the amount reported is over 30% of the Credit Limit, it will negatively affect the Credit Score. The closer you are to Maximizing the worse it affects the score.

I've seen an 85 point improvement taking one account from 93% to 25% in one-month.

* Not the Payment Due Date!



UTILIZATION IS KEY TO BUILD YOUR SCORE

PRO-CREDIT ANTI-DEBT

Revolving Credit Utilization Drives Credit Scores Up and Down

- You Should Have 2-5 Major Credit Cards; We Don't Promote the Use of Department Store Accounts
- Think of Credit Cards as Another Pocket; Use Them Instead of Debit Cards
- Never Close A Revolving Account

- Keep Accounts Active; Use them Once a Quarter
- Pay Balances Down 5-Days Before Closing Date; Balance Reporting Must Be Under 30% Each Month
- Pay Off Before Payment Due Date; No Need to Carry A Balance
- **ANTI HELOC!****
- **ANTI JEWELRY!****

** Unless Utilization is Under 30% After Purchase/Project

