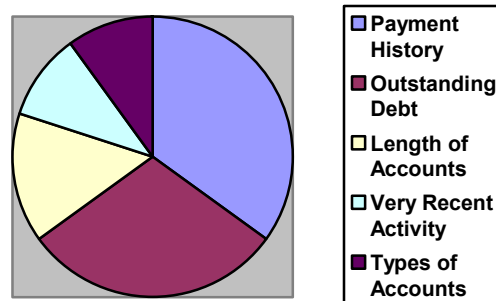


Understanding Your Credit Report

What is a Credit (FICO) Score?

- Credit scoring is a means of applying a sophisticated mathematical model to your credit behavior and the behavior of other borrowers like you. It's a way to more accurately gauge how great of a risk you represent to a lender.
- A credit score is a single number that helps lenders and others decide how likely you are to repay your debts.
- Your credit score does not affect just your ability to get a loan and what rate you will pay. It may also determine how much you pay for auto and homeowners insurance and whether or not you get a new job.

What's in Your Score?



- 35% of the score is determined by payment histories on your credit accounts, with recent history weighted a bit more heavily than the distant past.
- 30% is based upon the amount of debt you have outstanding with all creditors.
- 15% is produced on the basis of how long you've been a credit user (a longer history is better if you've always made timely payments).
- 10% is comprised of very recent history, based on your efforts to obtain loans or credit lines in the past few months.
- 10% is calculated from the mix of credit you hold, including installment loans (like car loans), leases, mortgages, credit cards, etc.