

*Tip: These are best to pay off early if your repayment strategy includes early or aggressive repayment.*

**Capitalization of interest:** Accrued and unpaid interest added to the principal amount you borrow at specific intervals. Capitalization often occurs during a status change (grace, deferment, or, most frequently, forbearance).

Example: Let's say you borrow \$10,000 at 10% interest per year. If capitalization occurs annually, \$1,000 will be added to \$10,000 at one year, resulting in a new principal of \$11,000 on which interest now accrues.

*Tip: Because this can greatly increase the cost of a loan, the less frequent interest is capitalized, the better.*

**Borrower Benefits:** Discounts, often in the form of Interest Rate Reductions (IRRs), offered by some lenders on various loans.

Examples: automatic debit and timely payment

*Tip: Recent changes in the student loan industry have resulted in fewer Borrower Benefits being offered on new loans, but it is always good to ask about them.*

**Credit Ready:** The borrower has a satisfactory credit history, free of adverse items like 90-day-late payments or unpaid collection accounts.

*Tip: Grad PLUS Loans are based, in part, on a borrower being Credit Ready.*

**Credit Worthy:** Lenders evaluate a borrower's FICO score (a widely used credit score that banks and other institutions use to make lending decisions), sometimes their income, repayment history and their current ability to repay new financing.

*Tip: Most private loans will require you to be Credit Worthy.*

**Federal Direct Student Loan Program (FDSLP or "Direct Lending"):** Loans made directly by the federal government; the school chooses the lender.

Examples: Stafford and Grad PLUS

*Tip: It is generally better to apply for federal loans before applying for private loans.*

# The New York Times

PLAY THE CRO

STUDENT LOANS

## *Lessons From the Loan Scandal*

**By Laura Pappano**

July 29, 2007

ERIC SMOLITSKY, a senior at the University of Connecticut, is a sharp guy who is spending the summer doing stem cell research. But when it comes to student loans — he will graduate \$30,000 in debt and plans to borrow \$200,000 more for medical school — Mr. Smolitsky finds it annoyingly complicated. “I haven’t spent much time looking into it,” he acknowledges. “They say, ‘Here is your financial aid package.’ ”

Students in general have not thought much about how it all comes

support for the system's 10 campuses, administrators determined that students at some campuses were getting less desirable terms. At Santa Cruz, for example, students with the worst credit were paying up to 19.32 percent to Education Finance Partners and 14.25 percent to Sallie Mae with fees of up to 8 percent. The university decided to use the system's volume some 2,000 undergraduates borrowed \$20 million in private loans last school year to improve rates.

Six bidders vied for the coveted top spot on the lender list. Financial officers were seeking, among other criteria, lenders who would eliminate fees, would not demand default insurance and would capitalize loans just once. Administrators sorted through hundreds of pages of data. Citibank got the nod.

Borrowers are now classed in four groups: credit worthy (scores of 671 or higher), credit ready (670 to 610), low credit (609 to 570) and poor credit (569 or less), and their rates range from 7.75 to 14.25 percent. Students in the two middle categories get 9.25 and 11.25 percent, respectively, if they have co-signers.

### **Consolidation Is No Longer a No-Brainer.**

It used to be that you got federal loans at variable interest rates;

November 2015

# Get Credit Ready In 5 Steps



[← Back to blog](#)



GET CREDIT  
READY  
IN 5 STEPS



# How to Make Sure You're Credit-Ready to Buy a Home



Buying a house is a major financial decision. Doing so with less-than-stellar credit could cost you big time. Here's how to get your credit ready for a mortgage.

NEWS PROVIDED BY  
**myFICO** →  
Feb 23, 2021, 12:34 ET



SAN JOSE, Calif., Feb. 23, 2021 /PRNewswire/ -- For many people, buying a home is one of the most significant financial commitments they'll ever make. While mortgage interest rates are low compared with other types of credit, even a small difference can cost you tens of thousands of dollars over the life of your loan. What follows is what you need to do to make sure you're credit-ready to buy a home, from myFICO.

For more loan and credit education, visit myFICO's blog at <https://www.myfico.com/credit-education/blog>

Your FICO® Scores are a crucial consideration for mortgage lenders and having good credit long before you start house



# Be Credit Ready


11 views • Jan 9, 2022

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Young adults highlight their experiences in building credit.

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Tips for getting your credit ready to buy a home!

7 views • Jan 19, 2022

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If you're thinking about buying a house, you'll want to take a careful look at your finances to make sure you're ready for this new commitment.

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Let us improve your credit!  
You will get:

- ✓ FREE credit consultation
- ✓ FREE in-depth credit analysis
- ✓ FREE credit



Home / Money / Find the Best Loan for You / Loans Advice

# How to Get Your Credit Ready to Buy a Home

The process can take time, but it can save you thousands of dollars.

By [Ben Luthi](#) | April 13, 2021, at 9:52 a.m.



Avoid making any rash moves that could hurt your score beforehand, such as opening a new account.

(GETTY IMAGES)

## Student Loans

- Best Private Student Loan
- Best Student Loan Consolidation
- Refinancing
- Best Student Loans Without Co-Signer
- Best Parent Student Loans
- Best Student Loans for Bad Credit
- Best Student Loans for Graduate School

## Personal Loans

- Best Debt Consolidation Loans
- Best Personal Loans
- Best Low-Interest Personal Loans
- Best Personal Loans for Bad Credit
- Best Personal Loans for First-Time Homebuyers

# How to get credit-ready to apply for a mortgage

🕒 JULY 23, 2018    📄 ADMIN    📁 ARTICLES

🏠 CREDIT REPAIR SERVICE, LOANS, MORTGAGE, PROFESSIONAL CREDIT REPAIR    💬 0



Summer is here and with the warm weather and the desire for backyard BBQ's and playsets for the kids, there is also the desire for new home purchases. If you are starting to think about buying a new home, now is the time to make sure that your credit score is where you need it to be.



## Get Credit Ready in 5 Steps



# Get Credit Ready

IN JUST 5 STEPS



Getting your credit ready for buying a home can make the difference between qualifying for a mortgage or not. It plays a big role and is something that lenders will look at when deciding how much of a credit risk you may be. This, in turn, determines the amount you get approved for and the interest rate you are given. This is why we advise homebuyers to start getting their credit ready several months before buying a home. Our Folsom mortgage lender team is here to show you how.

### Step One – Your Credit Report



**XL Credit Restoration**

From the business owner

November 28, 2021



**CREDIT RESTORATION**  
MAKE YOUR CREDIT BIG

# ARE YOU CREDIT READY?

## Why Choose Us?

With our proven dispute process and one on one approach, our clients have had great success with bankruptcies, foreclosures, collections, charge-offs, repossessions, medical bills, credit card debt, inquiries, late payments, old addresses, judgments, tax liens and student loans.

Schedule your consultation today!

## Our Services :



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**Student Loan Services**



**Credit Repair**

## Contact Us :

P : (888) 370-0333

W : [www.xlcreditrestoration.com](http://www.xlcreditrestoration.com)

Email or phone

Password

01/28/2021

Log Out

# ARE YOU CREDIT READY FOR A NEW HOME?

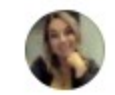


## NOT SURE? WE CAN HELP!

Contact us Today to find out about our fully reimbursed Credit repair program!!

Brittany Gomez,  
Realtor  
817-690-9490

Amanda Barber,  
Board Certified Credit Specialist  
(817)500-4244



**Dream Big Financial Solutions**

Like This Page · November 1, 2021 · 0

Let 2022 be the year of Home Ownership for you and your family!

Who is planning or wanting to buy a new home in the near future but, have some things on your credit profile possibly hindering that process?

🦋What if I told you that Brittany Gomez, Realtor and I have teamed up to make sure that is no longer an obstacle!! 🦋 ... See more

Shontilla Cook, Alex Tejada and Kristen Morales Edwards like this.

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Pro School ▶

# Credit-Ready Borrowers Close Faster!

SALES AND MARKETING REC. APR 29, 2021

FEATURING



Get ready: the mortgage market is about to become more competitive than ever. Fewer borrowers chasing a limited number of homes and elongated buying – and financing – cycles. We all know time kills deals. We'll show you how to productively kill time with a Credit-Ready strategy, and close more loans.

The strategy: Keep borrowers Credit-Ready with CreditXpert. Credit-Readiness may be a new concept, yet the idea is simple. Help your borrowers understand their credit situation the first time you meet them. Show them how a few analytics-based actions that they can take put them in a better position to qualify for the best possible financing. Engage with your borrowers on their Credit-Readiness throughout the mortgage process. Credit-Readiness helps you close more loans. It also helps you build relationships with borrowers that lead to future loans and more referrals.

You already have access to the technology behind Credit-Readiness. Our presenters, two of the industry's Credit-Ready experts, will talk about the importance of this strategy, the technology, how relatively easy it is to implement and the benefits it delivers for lenders and borrowers alike.

- Understand Credit-Readiness: The Process and the Technology
- Learn about the technology that every lender has access to today and the role Credit-Readiness plays in the high-performance lending operations that close more loans, and close them quickly.
- See how borrowers and lenders benefit from a Credit-Ready strategy, and from keeping borrowers' credit-ready.

**Be part of the conversation — attend a live webinar.**

**[See upcoming webinars](#)**



## How to Get Credit Ready for Homeownership (pre-recorded on 9/25)

- Find out how to navigate debt collectors
- Learn how to check your credit report for accuracy
- Gain foundational finance knowledge

[Register for Free](#)



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COLLEGE CREDIT

YOUR CREDIT

RENTERS

PARTNERS

CAREER

More



**CREDIT READY PROGRAM**  
**CREDIT SCORE BUILDER**





## Getting Credit Ready for the Holidays

Holiday shopping season is here. If you are like most people that means you will be using credit cards more than usual. Here are some tips on how to get your credit ready for the holidays.

### **Check your credit report.**

Before you start spending, get your credit report. Is everything on it accurate? Do you see any unusual purchases? While you may not have time to **repair errors on your credit report** before your holiday shopping, it will be easier to spot errors now before all of your holiday shopping.

## CREDIT READY CLASSES

## CREDIT READY CLASSES

### Nuestra Comunidad Credit Ready Classes

Nuestra Comunidad's Credit Ready Classes are designed to give you tools to set and meet your financial goals. Join us for a free class intended to enhance your financial education, help you assess what financial products and services make sense for you, and support you going forward with coaching from a Nuestra Comunidad expert.



### Attend our free Credit Ready Class

- Be in the know about how to improve your credit;
- Get loan-ready for a home purchase, car purchase, etc;
- Meet individually with a coach to address your particular situation;
- Get a copy of your credit report and the scores used by lenders.

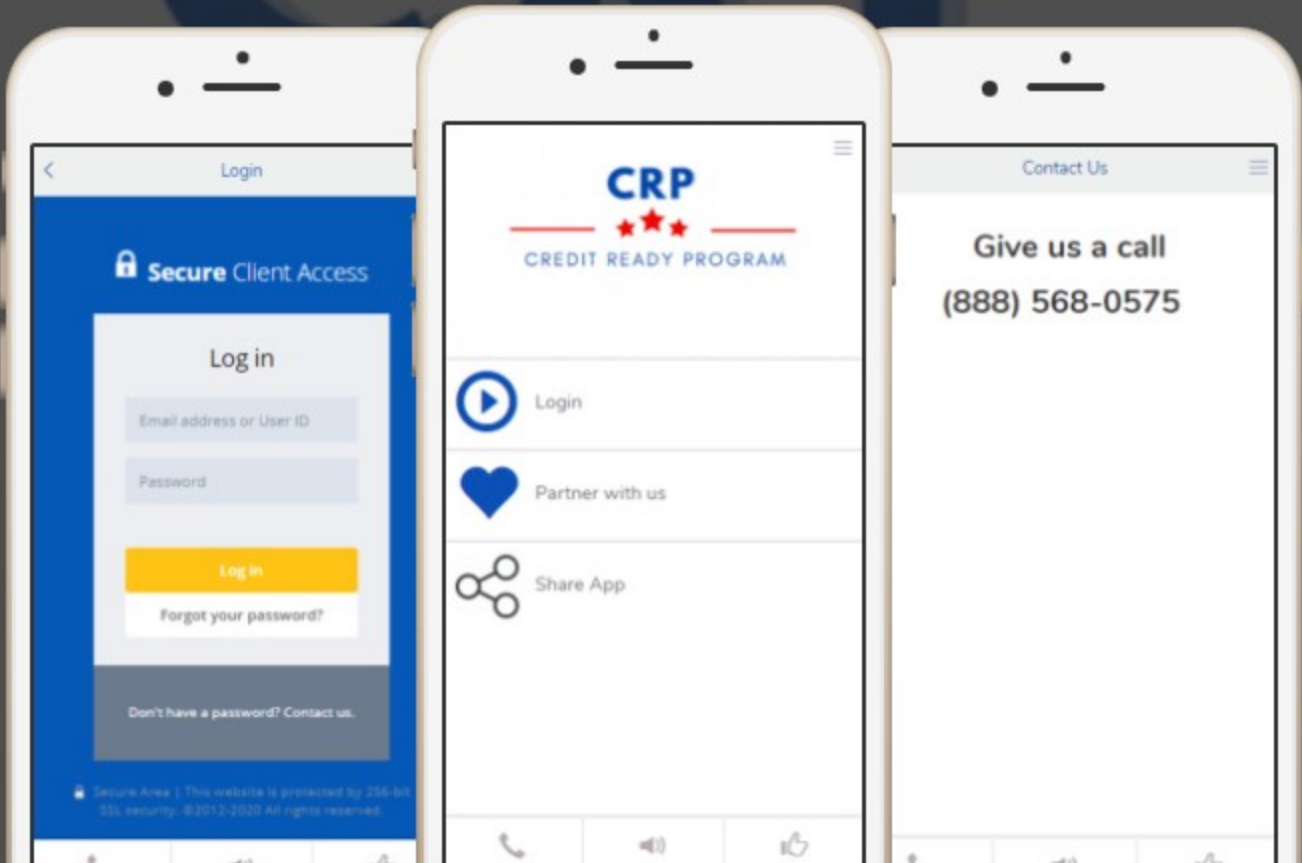
[REGISTER FOR A CLASS](#)

Be credit ready when you're ready for your next big purchase

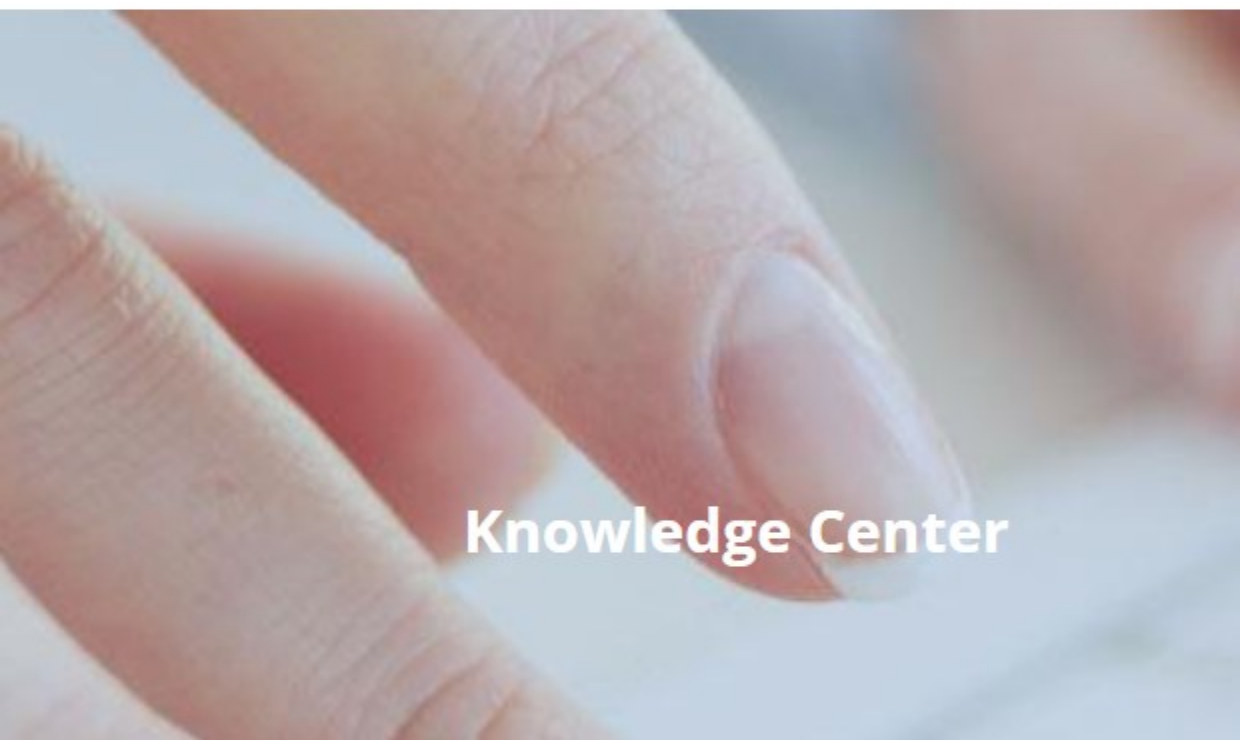


# Credit Ready Program

by BPX Management Group LLC



**FREE**  
in the App Store



## How to Get Your Credit Ready for a Mortgage

If you're preparing to buy a home in the near future, it's important to make sure your credit is up to par. You want to know where your credit stands so you can improve your chances at being approved for a mortgage loan and getting the best rates and terms. Before you start shopping for your new home, take these steps to get your credit mortgage-ready.

# L<sup>R</sup>N<sup>G</sup>

BADGE

# Be Credit Ready


Mercer County One-Stop Career Center



Earners of this badge have successfully completed the skill-building activities on building credit and exploring loan options.

# Get credit ready for a personal loan

BY **MARCIE GEFNER**  
THURSDAY, AUGUST 27, 2015

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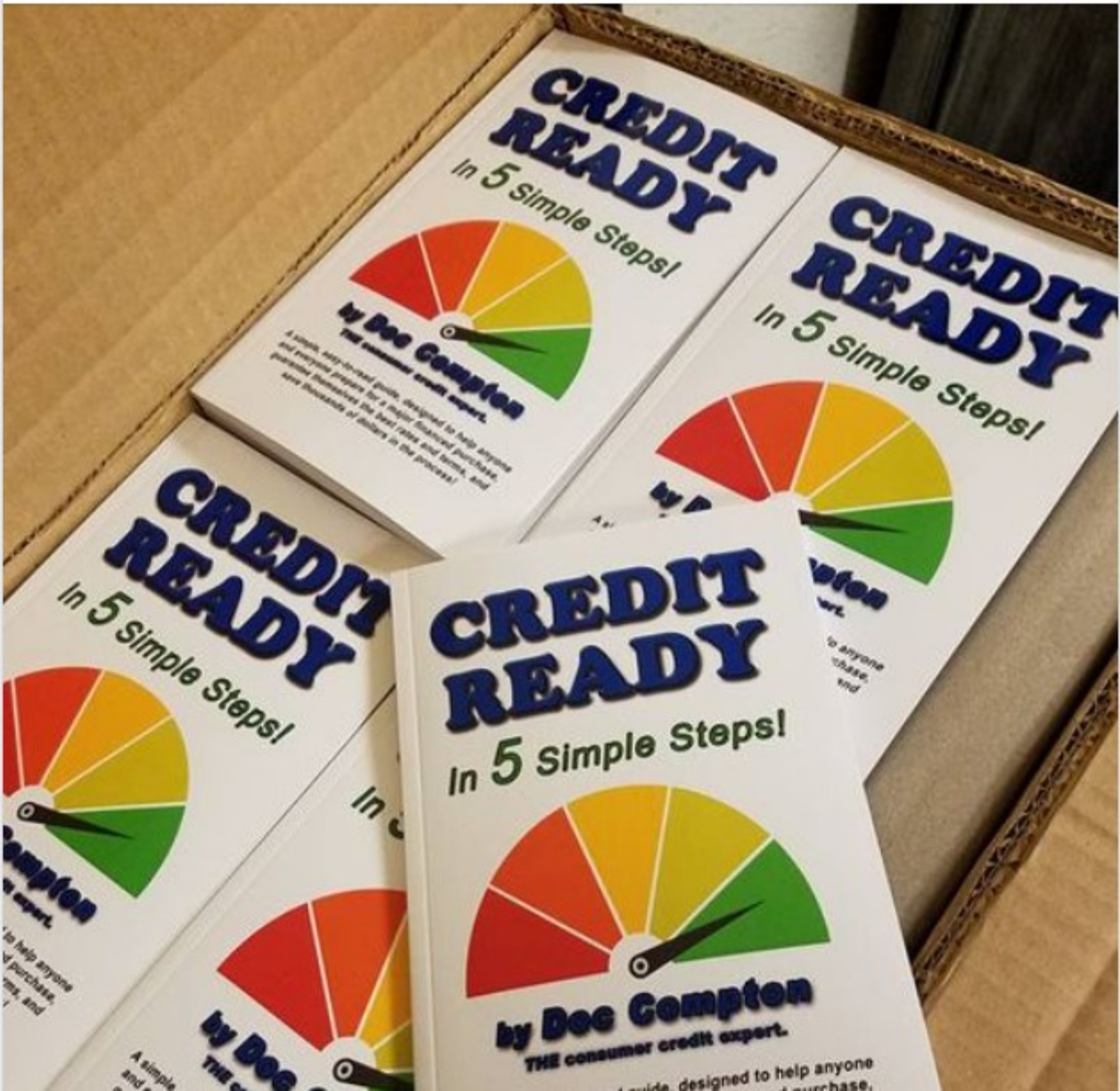
**Credit Ready**

April 3, 2018 · McKinney, TX · 🌐

🔥🔥🔥 EXCITING NEWS 🔥🔥🔥

A co-branded version of "Credit Ready In 5 Simple Steps" is now available in a downloadable e-book format for a SIGNIFICANT discount !! 📄

Message me for more info!!! 📧



# Are you CREDIT READY?



< 1 of 14 >

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## Are you credit ready?

Oct. 26, 2020 • 0 likes • 23 views

Business

- I am ready for the bank! Or am I?
- Can I articulate what I need and why?
- Have I met the five C's of credit?
- Have I explained and do I understand my business trends in revenues, COGS and operating expenses?
- Do I have reasonable projections with detailed assumptions?
- Am I able to demonstrate sufficient direct or indirect management expertise?
- Can I articulate and do I understand my competition?
- Do I understand the policies and the way the bank evaluates my type of loan?



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## 9 Important Steps for Home Buyers

STEP 1 How Much Can You Afford?

STEP 2 Know Your Homebuyer Rights

STEP 3 Basic Mortgage Terminology

STEP 4 Shopping for a Mortgage

STEP 5 Shopping for Your Home

STEP 6 Making an Offer to the Seller

# How to Get Credit-Ready for a Mortgage

## HOW MUCH DO YOU OWE?



March 29, 2021

For most people, buying a home is the most expensive purchase they will ever make in their lives, and that can be a scary thought. You want to make sure that everything goes smoothly and that you get the best interest rate you possibly can. A big way to help in that is to be on top of

# Your Guide to Student Loan Terminology

JANUARY 30, 2018 | GRADUATE MANAGEMENT ADMISSION COUNCIL



Here are definitions for the eight most common terms you'll encounter during the student loan process.

**Subsidized loans:** Interest-free during school, grace, and authorized deferment periods (such as at least half-time enrollment).

Example: Federal Perkins

BACK TO TOP

BUYING

# Are you Credit Ready for Home Ownership?

NOVEMBER 9, 2016



Securing a mortgage means getting your credit score in perfect shape. This one step can save you thousands in the home-buying process and over the course of your loan. Scores below 600 often have more trouble receiving financing and scores 740 and higher will usually receive the best rates as they pose less risk to the lender. See how lenders use your credit score and [why it is important in the mortgage process](#).

Here are some tips on how to prepare your credit score for the loan application



ONLINE BANKING



**NORTH COUNTRY  
SAVINGS BANK**

# Neighbor News

LOCAL ADVICE FROM YOUR NEIGHBORHOOD BANK

## Is your Credit Ready for a Mortgage?

If you've recently decided to take the plunge into homeownership, you might be wondering where to start the process, especially if you are a first-time homebuyer. Step one is to ensure you are financially ready to take on a mortgage.

Your credit score is an important piece of information lenders use to determine if you're eligible for a mortgage. To ensure your credit is in tip-top shape when you sit down to complete the loan application, follow these steps:



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April 13, 2017

## Credit-Ready Tips for Homebuying

“If (your score is) below 600, you’re probably not going to buy a home in the short term,” says Mike Sullivan, director of education at nonprofit credit and debt counseling agency Take Charge America.

Qualifying for the best mortgage rates start at a 740 credit score. Scores below that threshold will likely have higher interest on their home loans. **Get your credit ready for homebuying season** to increase your chances of building up your credit and buying a home!

### Tips for Getting Your Credit Score Ready for Homebuying

QU

Location

Enter City

Property Type

House / Con

Min. Price

\$

Beds

Any



Mortgage Basics

# How to Get Your Credit Ready for a Mortgage

November 27, 2020 • 7 min read



By Jim Akin



Through April 20, 2022, Experian, TransUnion and Equifax will offer all U.S. consumers free weekly credit reports through [AnnualCreditReport.com](https://www.annualcreditreport.com) to help you protect your financial health during the sudden and



Credit-Ready means that your business has everything in place to go to the banks and undergo the application process. In our experience, most businesses are missing some key elements that may trip them up when they are looking for funding. Our experts will find those errors and omissions and make certain that you have everything in place when you walk in the bank's front door to get your Funding.

During the critical first seven days, we analyze your business and resolve these issues;

- A) Do you have a decent website?
  - B) Is your phone listed with 411?
  - C) Is your contact info consistent and accurate on internet directories like Google, Yahoo, Bing, Yellow Pages?
  - D) Do you have a DUNS number?
  - E) How clean is your credit?
- And much more.



by Joanne Gaskin

## FICO® SCORE

You may have heard that alternative data holds great potential for expanding access to credit to more consumers to help them achieve their financial goals. Indeed, more data can enable credit score providers like FICO to provide a more complete snapshot of consumers' credit behavior and potential risk. While FICO has been the leader in developing innovative ways to incorporate new and regulatory compliant alternative data into credit scores, there are still barriers to fully unlocking the potential of alternative data.

Due to the confusion around this issue, it's important to be clear about what constitutes alternative data. In our view, for data to be considered "alternative data", it means that the data is not part of the traditional consumer credit files maintained by the three largest credit bureaus (Equifax, Experian and TransUnion). The credit bureaus do maintain utility, cell phone and/or rental data and the FICO® Score has used this data for many years. The problem is that this type of data in traditional credit files is sparse, with utility data present for just 2.6 percent of consumers and cell phone bill data for just 5 percent of consumers. Instead, to reliably increase credit access, scoring must look beyond the traditional bureau files to include alternative data.

In the U.S., roughly 28 million consumers have insufficient data in their credit bureau file to meet the minimum criteria for calculating a FICO® Score (at least one credit account open for six months or more, and at least one account reported to the credit bureau within the past six months). Another 25 million consumers have no credit bureau file at all. **But just because someone doesn't have a FICO® Score, it doesn't mean they're not credit ready.** Instead, innovative analytic firms such as FICO are investing in identifying new predictive and compliant data sources to build models that accurately assess if underserved borrowers are in a position to successfully take on a new credit obligation.



## FEDERAL DIRECT UNSUBSIDIZED LOANS

Direct unsubsidized loans form the foundation for most dental school students' loan portfolios. Your school **may require** some borrowing in this program before considering you for other types of aid.

- **Interest rate:** The rate on new loans changes each July 1 and is then fixed for that loan throughout the life of the loan. The current rate for new loans disbursed on or after July 1, 2021 is **5.28% fixed**; the maximum rate on new loans is **9.5%**.
- **Terms:** Up to **\$40,500 per year**, with a cumulative maximum from all degree programs of \$224,000. The annual amount may be prorated higher based on budget length. These loans are not based on credit.

## FEDERAL DIRECT PLUS (GRAD PLUS) LOANS

These loans are used to supplement borrowing from other loan programs, including direct unsubsidized loans. You should **always maximize** your borrowing with the direct unsubsidized loan before taking out a direct PLUS.

- **Interest rate:** The rate on new loans **changes each July 1** and is then fixed for that loan throughout the life of the loan. The current rate for new loans disbursed on or after July 1, 2021 is **6.28% fixed**; the maximum rate on new loans is **10.5%**. Note the rate on direct PLUS (Grad PLUS) rate is always one percentage point higher than the rate on direct unsubsidized loans.
- **Terms:** You may borrow up to your **COA (Cost of Attendance)** each year with direct PLUS, less other aid (including direct unsubsidized), thereby negating the need for private loans during school. **These loans are based, in part, on the borrower being "credit ready," meaning no adverse history of payments on other obligations, such as 30 or 60 day delinquencies.**



## Exhibit 3.7: Summary of Telephone Counseling Protocol

### ***Stage 1: Assess the Client's Budget and Personal Financial Situation***

- Review the client's situation and discuss the advantages and disadvantages of homeownership.
- Analyze the client's budget; discuss savings and debt reduction options as applicable.
- Create a "before and after homeownership" comparative budget, including an estimated cost of housing expenses such as utilities and maintenance.
- Review the client's credit report; develop a written action plan for any potential barriers; and suggest a timeframe for improvement.
- Advise client to schedule a follow-up appointment in 3 to 6 months, if the client is not ready to purchase a home.
- Into the client management system (CMS), enter a brief summary of the client's situation, goals, and personalized recommendations, including annual income and beginning and ending credit scores.

### ***Stage 2: Discuss Whether the Client Is "Credit Ready" To Purchase a Home***

- Discuss the documents needed for a mortgage application.
- Discuss the most popular types of mortgage loans available, including FHA—Federal Housing Administration—and conventional.
- Discuss the difference between prequalification and preapproval.
- Discuss common ratios, such as expense-to-income and debt-to-income, used by lenders.
- Provide an overview of mortgage terms, including *origination fee*, *lock-in rate*, *prepayment penalty*, *escrow account*, and *private mortgage insurance*.



# Getting ‘Credit Ready’: What It Means For You And How To Do It



Business

# The Spring House Hunting Season is Here - Is Your Credit Ready?

March 17, 2021, 7:05 AM CDT

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The Spring House Hunting Season is Here - Is Your Credit Ready?

Zillow survey results show Americans are confused about factors affecting their credit

- In a recent quiz on what impacts credit scores, the average American answered just 2 out of 5 questions correctly, with older test takers likelier to score higher