

**DISCLAIMER:** Please note the rates and payments information contained in this document are for example only and are not reflective of actual rates and payments information for First Florida Bank.

## The Story Behind Your Credit Score

Your qualification for loans, your interest and insurance rates—even your potential employers—can depend on your credit score. Knowing what goes into tallying the number is the first step to improving it.

Credit scores are often called FICO scores because a system created by the Fair Isaac Corporation (FICO) is the most widely used measure in the credit industry.\* The higher the number on a scale of 300 to 850, the more favorably lenders view you, and the easier it is for you to get loans at lower interest rates. The percentages in the chart reflect the importance of each category to your FICO score.

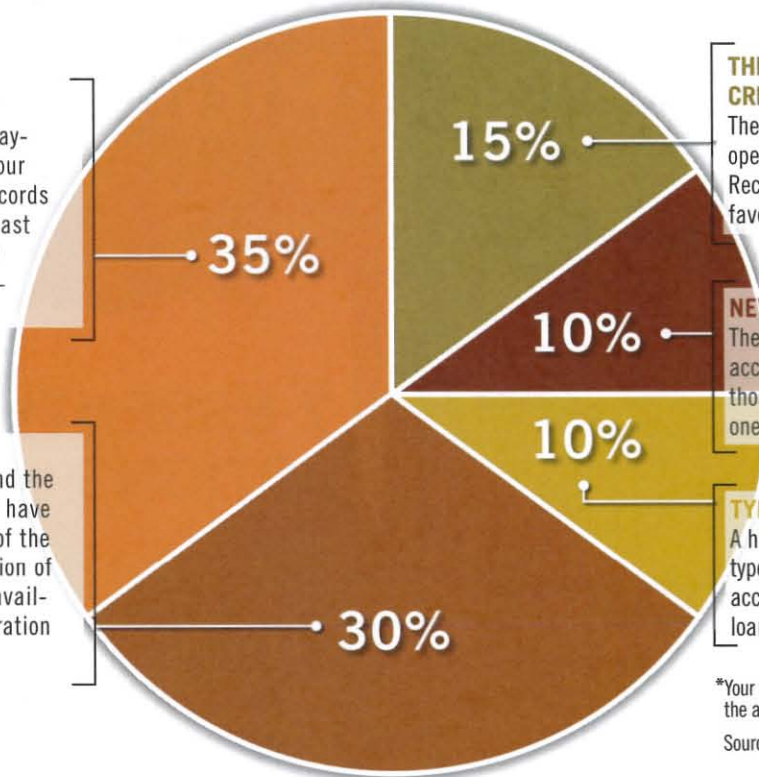
UP CLOSE

### PAYMENT HISTORY

The timeliness of your payments is a big part of your score. Adverse public records such as bankruptcy or past due amounts—and how recently they occurred—are factored here.

### AMOUNT OWED

The amounts you owe and the number of accounts you have with balances are part of the calculation. The proportion of balance to total credit available is a major consideration in this category.



### THE LENGTH OF YOUR CREDIT HISTORY

The period of time since you opened your accounts is a factor. Recent credit counts less favorably than older credit.

### NEW CREDIT

The number of recently opened accounts and the proportion of those accounts to established ones affect your score.

### TYPES OF CREDIT

A history of managing various types of loans (credit cards, retail accounts, mortgages, installment loans) can help your score.

\*Your credit score may vary depending on the agency computing it.

Source: Fair Isaac Corporation, myfico.com.

## Five Ways to Improve Your Score

ON PLAN

If you want to buy a car or a house, open a credit card account, or apply for almost any other type of loan, your credit score will determine your eligibility and the terms. If you don't already have an excellent score, taking these steps can help:

**Make payments on time.** Set up automatic payments to your creditors.

**Pay down debt and don't move it around.** Moving balances to new credit lines can hurt your score.

**If you have a short credit history, don't open new accounts too rapidly.** Lenders like to see a long history of responsible payments. A large number of new accounts can lower your number.

**Don't close unused accounts.** The longer you've had a line of credit open, the better it is for your score.

**Check your credit report.** Order your free annual reports from all three major credit bureaus at [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com) and correct any errors that could damage your credit score

### THE VALUE OF A HIGH SCORE

Your FICO score will directly affect the interest rate you receive for a 30-year fixed mortgage of \$300,000—and thus your monthly payments.

30-YEAR FIXED MORTGAGE		
FICO Score	Annual Percentage Rate*	Monthly Payment
760–850	4.361%	\$1,495
700–759	4.583%	\$1,535
680–699	4.760%	\$1,567
660–679	4.974%	\$1,606
640–659	5.404%	\$1,685
620–639	5.950%	\$1,789

\*Interest rates as of May 9, 2011.

Sources: Fair Isaac Corporation (myfico.com); Informa Research Services.