

# Establishing Credit

In order to qualify for most mortgage programs, you will need to have a middle credit score between **620 and 640**. One easy way to begin to build a credit history is by the use of "**Secured Credit Cards**". A secured credit card is a Mastercard or Visa card account that is opened using the creditor's own monies as security for the credit limit on the card. You will need to have at least (2) open lines of credit, with at least 12 months of history for each account, to have these accounts count towards the credit score.

With any credit card account remember:

- Don't let your credit card monthly balance exceed 30% of the available credit limit on the card.
- **NEVER** make a payment late. A late payment can drop your credit scores as much as 75 points and will affect your scores for up to 12 months.
- Don't pay your entire balance off every month. Leave a small balance to carry over into the next month. This will help to build you scores faster.
- Accounts normally have to have a 12 month history to count as a valid line of credit.