



DID YOU KNOW?

The average credit score of first-time FHA homebuyers is

676

HUD-APPROVED HOUSING COUNSELORS ARE YOUR TRUSTED RESOURCE.

Guiding you to wise housing decisions, step by step, in your homebuying journey. HUD-approved housing counseling supports more than a million households annually.



The approval of a housing counseling agency does not create or imply a warranty or endorsement by HUD of the approved agency or its employees to a prospective client or to any other organization or individual. Approval means only that the agency has met the qualifications and conditions prescribed by HUD.

FIRST-TIME HOMEBUYERS CREDIT 101



Office of Housing Counseling

hud.gov/housingcounseling
1-800-569-4287



WHY YOUR CREDIT MATTERS

QUICK TIPS FOR BUILDING GOOD CREDIT

- Reduce your debt whenever you can.
- Always pay your bills on time.
- Get your FREE credit report regularly.
- Be cautious when opening new accounts.
- Use your credit cards responsibly.
- Address credit issues swiftly.
- Steer clear of credit repair scams.

Understanding credit is vital for your journey to homeownership. Your credit history plays a crucial role in qualifying for a home loan. It's crucial to seek reliable information from trusted sources. Beware of fake offers for free credit reports. One reliable source is annualcreditreport.com. Keep reading to learn the essentials about credit and how your local housing counseling agency can make your path to homeownership smoother.

YOUR CREDIT SCORE

CREDIT SCORE SCALE

- Exceptional 800-850
- Very Good 740-799
- Good 670-739
- Fair 580-669
- Poor 300-579

Your credit score, also known as a FICO® score, is what lenders look at to decide if you're trustworthy to lend money to. If you're good at paying your bills on time, lenders feel confident you'll pay back what you borrow. Credit-reporting bureaus gather data from your financial past to figure out your credit score.

HOW WE CAN SUPPORT YOUR HOMEOWNERSHIP JOURNEY

LET'S DISCUSS:

- Checking your credit score.
- Planning and budgeting.
- Managing credit card debt.
- Enhancing your credit

The sooner you check your score during the homebuying journey, the better. It allows you to spot any potential issues before you start looking for a house. If you notice any concerns that could affect your score negatively, don't hesitate to reach out to your local HUD-approved housing counseling agency for guidance on boosting your credit.

HOMEOWNERSHIP SUPPORT NEAR YOU

From coast to coast, there are thousands of HUD-approved agencies ready to support you! The path to owning your home may seem daunting, but you don't have to navigate it alone. To discover more about credit or locate a HUD-approved housing counseling agency, head to hud.gov/housingcounseling or give us a call at 1-800-569-4287. Let's work together to make your dream of owning a home a reality!

*Urban Institute (2023)

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nationwide!

