

# How To Boost Your Credit Score!

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 [wiseinvestments.ca/credit-score/](https://wiseinvestments.ca/credit-score/)

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If you ever need a loan, mortgage or want to finance a car, there are many factors that go into acquiring these things. However, an important aspect that should not be overlooked is your credit score. I've come across countless people who have ruined their credit score because they were either unaware or just did not care. Here, we will be running down steps that you can do to increase that credit rating!

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### Why Is Your Credit Score Important?

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<https://youtu.be/sTwr3zWdv48>

Throughout my days I've met many people who completely ignored their credit score. Furthermore, I know a ton of people who don't know what it's used for. Think of your credit score like a grade in high school. The better you are at taking care of your finances, the higher the score. Once your score is high enough, you'll qualify for many great things, just like how good grades get you into university. Some of the things that you can acquire through a high credit score are loans, mortgages and lower interest rates. This is because your credit score reflects your reliability. Therefore, companies and banks will feel more comfortable lending out money. Above is a video with various strategies on how you can further increase your credit score!

Not convinced? How about the fact that some companies require a credit check when getting services such as tv and internet. If your credit score is low you can forget about getting those services, at least from the companies that require credit checks! Having a high credit rating isn't mandatory for an amazing and financially stable life but it makes it easier. Need more material? Try reading the [Live Richer Challenge](#) on ways you can increase your credit score in under 30 days!

**Be On-Time!**

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While working at RBC this was one of the aspects that people always struggled with. However, it wouldn't always be because of a forgetful memory or lack of funds. A lot of people genuinely did not know how to read their bill or when to make their minimum payments!

Therefore, it is up to you to figure out how your bill is broken down and when the payment is due in order for it to not affect your credit score negatively! The two things

that I have personally witnessed destroy someones credit rating are unpaid credit cards and phone bills!



Luckily, there are systems that are designed to keep your payments up to date! Regardless of the debt you have, it would be in your absolute best interest to set up some sort of automatic payment. By doing this you're relieving yourself from the stress of remembering. If you have 10 payments due in a month, each on different days, remembering to pay all of them on-time can be overwhelming. Therefore, set up automatic payments whenever you can to save yourself the hassle and your credit rating!

## Process Of Elimination

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By process of elimination, we mean eliminating as much debt as you possibly can! There are many different strategies to relieve yourself from debt and you should choose one that works for you.

However, the ultimate goal here is to knock out your debt one by one **WHILE** making minimum payments to your other debts. In the [debt snowball](#) and how it works, we talk about a debt relief strategy that



revolves around eliminating the lowest debt first. Once the lowest debt is out of the way you can gradually pay off the next highest one! This is a great strategy for paying off your debts one by one, especially if you have multiple debts at different amounts!



## Check For Errors

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This is a huge factor that many people fail to check. You should check your credit report at least once a year, semi-annually would be best. The reason you would want to do this is to avoid having any negative errors on your credit report that could decrease your score. For example, you could have paid off a debt a while ago but it's still saying that the debt is open on your account. If you notice any sort of discrepancy, call the credit bureau and have them take a look into your file. They'll take a look at your concern and after reviewing what you told them, you may ask for a correction. Be aware that a correction can take some time. However, if it means restoring your credit score, it's definitely worth it!



## Always Keep An Eye Out

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This factor goes hand in hand with the previous steps. You'll always want to keep an eye out for your credit reports and score! There are many different ways to check your credit score for free! One way would be to go through Credit Karma! Furthermore, many banks have implemented a system where you can check your credit score for free whenever you want!



## Use It, But Don't Overdo It

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Having a high credit rating is extremely advantageous. However, you'll want to be wary of the things you acquire with it! Remember, anytime you apply for a loan, credit card or mortgage, they'll take a look into your credit history. This is what we call a hard hit or inquiry and it can decrease your rating by quite a bit. Furthermore, the amount an inquiry can reduce your credit score by is usually 5 – 10 points. However, if you are getting hit with multiple inquiries from the same company in a relatively short amount of time, your credit score may not suffer substantially.

