

October 2009 *MoneyMinute* – Your Credit Score

By Julie Schatz, CFP®

Credit scores. We hear about them all the time, and if you've recently applied for a loan then you have felt their importance firsthand.

If you are curious to know more about what seems to be a 'black box,' then I recommend this excellent article by Karen Blumenthal at the *Wall Street Journal*, "Credit Scores: What You Need to Know Now." This link will take you to the full article:

<http://online.wsj.com/article/SB10001424052970204348804574400700026852702.html>

Here's the 30-second summary on what you can do to enhance your scores:

- o Make all payments on time.
- o Open as few new accounts as possible.
- o Keep old accounts with good payment history open.
- o Maintain balances that are less than 50% of credit limits.

Today, a good credit score matters more than ever. Lenders are requiring higher scores for their best interest rates, and they're less likely to lend to borrowers with flawed credit histories. Because of that, treat your credit score like any valuable asset that needs to be monitored and maintained.

A great source for information on credit scores and to obtain yours, go directly to the Fair Isaac Corp. (FICO) website: <http://www.myfico.com>.

Lastly, if you are planning to buy or refinance a property in the next six months, then contact us for a referral to mortgage brokers we trust. They can guide you on making your score as good as it can be before the lender checks your credit.

If you have friends who may benefit from the monthly *MoneyMinute*, please forward this to them. To sign up for your own copy: <http://www.feesonly.com/moneyminute.html>

The articles page on our website covers planning issues from real estate to long-term care, from investment risk to college funding, and more. See the rest at: <http://www.feesonly.com/Articles.html>.

At Investor's Capital Management, LLC, we are independent fee-only financial planners and investment managers. We do not take product commissions, nor do we gain from any portfolio activity. A client's fee is the only payment we receive, so that we work solely in their best interests. As independent financial planners, we have a **fiduciary responsibility** to our clients to always put their best interests first. This may seem obvious to you, but in fact it is all too rare in the financial services area.

OUR MISSION:

Giving clients the clarity and confidence they need to make consistently sound choices. If we may be of assistance in any way during the weeks and months ahead, please call or email.

To maintain the quality of our service, we take on a limited number of new relationships each year. If we're not able to help someone who contacts us, we'll make sure to refer them to professionals we think highly of.

Learn more at our website: <http://www.feelsonly.com>.

Rich Chambers, CFP®

Julie Schatz, CFP®

Jennifer Cray, CFP®

Investor's Capital Management, LLC, Menlo Park

Offering Unbiased Guidance to Financial Success

Member of the National Association of Personal Financial Advisors (NAPFA)

Phone: 866-966-9291

Fax: 650-472-8924

info@feelsonly.com <http://www.feelsonly.com>

Legal Disclaimer: Investor's Capital Management, LLC <http://www.feelsonly.com>, and the *MoneyMinute* email does not render or offer to render personalized investment advice or financial planning advice through this free service. This service is limited to the dissemination of general information only. For specific financial advice you must enter into a formal relationship with a financial adviser.