



WHAT HURTS MY SCORE?

 <p>MISSED PAYMENTS</p> <p>Even if you start paying again right away, the fact that you skipped a payment at all looks bad on your credit report. Late or missed payments remain on credit reports for up to seven years from the original delinquency date</p>	<p>CHARGE-OFF</p> <p>When a creditor charges off a debt, it means they've basically decided they won't be able to get the money you owe, and wrote your account off as a loss. The charged off account is closed for any future use and the creditor may continue to report the past due amount and balance owed. Most lenders will also sell these charged off accounts to a collection agency.</p> 
 <p>COLLECTIONS</p> <p>When a creditor feels they can no longer recoup a debt, they may ask a collection agency to try to get you to pay. Or, they may sell the debt to a collection agency. Either way, collections are a type of negative information that stays on credit reports for seven years.</p>	<p>SETTLED ACCOUNTS</p> <p>A creditor may agree to accept less than the total amount you owe, in which case your debt is considered settled. However, because you didn't repay the debt as originally agreed, settled accounts are still considered to be negative information on credit reports.</p> 
 <p>REPOSSESSION</p> <p>When a creditor reclaims collateral for a secured loan, such as the vehicle you purchased with an auto loan, the repossession appears on credit reports. A repossession tells potential lenders you failed to repay an important debt as agreed.</p>	<p>VOLUNTARY SURRENDER</p> <p>When a lender agrees to take a vehicle back at your request, your voluntary surrender will appear on your credit report as a derogatory item. If there is a balance remaining from the surrender, and you fail to pay that amount, then that debt could be turned over to a collection agency.</p> 
 <p>FORECLOSURE</p> <p>The home loan equivalent to repossession, foreclosure means you haven't paid your mortgage as agreed and the mortgage lender takes possession of your house. Foreclosures remain on credit reports for seven years.</p>	<p>BANKRUPTCY</p> <p>When you're no longer able to manage all your debt, you may declare bankruptcy. When you file Chapter 7 bankruptcy, none of the debt included in the filing gets repaid, so the notation of the bankruptcy will remain on your credit report for 10 years. If you file Chapter 13, you'll repay a portion of the total debt you owe, so the information will cycle off your credit report in just seven years.</p> 
 <p>CLOSING ACCOUNTS</p> <p>Closing a credit account reduces the total amount of credit you have available, which can affect your credit utilization ratio. It can also affect your credit history if the account you close happens to be the oldest one on your credit report.</p>	<p>OPENING NEW CREDIT ACCOUNTS</p> <p>Opening multiple new credit accounts in a short period of time can affect your credit scores in multiple ways. It may generate a concerning number of hard inquiries associated with multiple credit applications, indicating that you may be potentially taking on more debt than what you could manage.</p> 
<p>USING ONLY CREDIT CARDS</p> <p>If you have only credit cards and no other types of loans, that lack of credit diversity in your mix may be a negative factor in credit scoring.</p> 	

* Although we deem this information reliable, more information on your credit score can be found at equifax.com