



Cupid's Guide *to* Credit Scores

**CUPID'S GUIDE TO CREDIT SCORES FOR HOMEBUYERS
FHA, VA & FIRST-TIME BUYER CREDIT REQUIREMENTS ON
THE CENTRAL COAST**

SANTA MARIA • SAN LUIS OBISPO • SANTA BARBARA COUNTY



Your credit score plays a starring role in your home loan journey—We are here to help you keep it happy and in great shape!

Let's dive into how you can show your score some love.

THIS CREDIT SCORE GUIDE WAS CREATED FOR HOMEBUYERS IN SANTA MARIA, ORCUTT, SAN LUIS OBISPO, AND CALIFORNIA'S CENTRAL COAST WHO ARE PREPARING TO QUALIFY FOR A MORTGAGE.



Pay Bills on Time

Consistency is key! Paying your bills on time is the #1 way to show your credit score some love and keep it glowing.

WHY IT MATTERS:

Payment history makes up 35% of your credit score.

Late payments can stay on your record for 7 years.

**THIS IS ESPECIALLY IMPORTANT FOR FHA
AND VA LOAN APPROVAL.**



Reduce Debt

Less debt, more love! Lowering your balances can boost your credit score and make you a dream borrower for lenders.

WHY IT MATTERS:

Keep credit utilization under 30%.

Paying down debt can improve your debt-to-income ratio, a key factor in loan approval.

DEBT-TO-INCOME RATIOS ARE CRITICAL FOR CALIFORNIA MORTGAGE APPROVAL.



Keep Credit Card Balances Low

A little balance goes a long way. Aim to use only a small portion of your credit limit to keep your score smiling.

WHY IT MATTERS:

High balances signal risk to lenders.

Staying under 30% utilization shows responsible credit use.

**MOST LENDERS PREFER UNDER 30% FOR
FIRST-TIME HOMEBUYERS**



Avoid New Credit Applications

Too many hard inquiries can break your credit score's heart. Hold off on opening new accounts before applying for a home loan.

WHY IT MATTERS:

Hard inquiries can temporarily lower your score.

Stability in credit usage is a sign of financial health.

OPENING ACCOUNTS BEFORE APPLYING FOR A MORTGAGE CAN DELAY OR DENY APPROVAL.

Thanks for reading!

Keeping your credit score happy is the first step to homeownership! Want to know how your score stacks up or need personalized tips? Let's chat—Cupid's got your back!

Looking for a Central Coast mortgage lender?
FHA • VA • First-Time Buyers

Are you looking for a lender?

Phoebe Jaeckels is a mortgage lender serving Santa Maria, Orcutt, San Luis Obispo, and California's Central Coast

