Credit scores: An infographic

Credit scores provide a snapshot of a person’s financial situation. They provide a way for lenders to predict how likely a person is to pay back a loan on time.

FICO (calculated using scoring models designed by Fair Isaac Corporation) and VantageScore (calculated using scoring models designed by VantageScore Solutions) are two of the most commonly used credit scores.

Two different ranges of credit scores

Most credit scores range from 300 to 850. A higher credit score means you are predicted to be less of a risk. Usually a high credit score makes it easier to get a loan and may result in a better interest rate, but lenders have their own cutoffs to determine eligibility.
How credit scores are calculated

Credit scores are based on the information in a person’s credit report. While scoring models may vary, the way you use and repay debt affects your credit score. Paying loans on time and staying well below your credit limit helps you get and keep good credit.

**FICO model**

- **Payment history:** 35%
- **Total debt:** 30%
- **Length of credit history:** 15%
- **New credit history:** 10%
- **Types of credit used:** 10%

**VantageScore model**

- **Payment history:** 40%
- **Depth of credit:** 21%
- **Utilization:** 20%
- **Balances:** 11%
- **Recent credit:** 5%
- **Available credit:** 3%

- **Payment history:** Whether a person is paying bills on time and as agreed.
- **Total debt, balances, and utilization:** Total owed and available credit remaining.
- **Depth/length of credit history:** How long a person has had an account or loan.
- **New/recent credit:** All new loans or accounts and all creditor credit report requests.
- **Types of credit used:** All credit cards (revolving credit) and loans (installment credit).