



New Hampshire Housing



Winter 2016/2017

Inside this Issue:

- Managing Debt
- Building Credit
- Free Credit Reports
- Ask a Coach
- FSS Successes

The GOAL Coaches

Joan Goeckel
(603) 310-9297

Nancy Hale
(603) 310-9211

Aimee Landry
(603) 310-9232

Patti Williford
(603) 310-9404

Seven Steps to Managing Debt

1. Your first step to managing debt is to use a financial planning tool to stay organized. There are lots of resources, so do your research. The following sites can help: www.findfinancialfreedom.org, www.mymoney.gov and www.mint.com.
2. Next, do an income-to-debt comparison—do you have available funds after paying current expenses that you can put towards bills and debt?
3. If not, are you willing to take a second job or find other ways to make additional income? Consider selling items on craigslist or organizing a yard sale. For more ideas go to: www.thepennyhoarder.com/12-best-ways-make-extra-money.
4. Get smart about money and don't create new debt. If you can't afford it, don't buy it. www.smartaboutmoney.org.
5. Review your current savings and spending plan. Is there an option to eliminate something in your monthly spending that you can put toward bills and debt instead?
6. Choose to use unexpected money to pay off debt (a year-end work bonus, tax refund dollars, inheritance money, etc.)
7. Depending on the amount of debt you have, you might want to research debt consolidation programs. For more information check with your GOAL Coach or a banking institution.

Start Building Your Credit Today

- The key to building credit is to pay current bills on time every month; payment history is 35% of your FICO credit score. Set up automatic bill paying and scheduling reminders on all electronic devices.
- What you owe makes up 30% of your FICO score. If you use more than 30% of your approved credit limit lenders think you can't afford to pay on new debt.



- 15% of your score is based on the length of your credit history. Don't cancel any of your credit cards. If you don't want to use them, put them in water and freeze them.
- New credit approval makes up 10% of your FICO score. Consider a credit builder loan or a secured credit card with your bank or a local credit union.
- 10% of your score is based on the credit you use. Student loans and mortgages can be rehabilitated, go to: www.studentaid.ed.gov/ and www.homehelpnh.org. Credit cards don't contribute positively unless you're paying on time.

Using the information above to manage your debt can help eliminate financial stress and increase your credit score and available credit. For additional resources and support talk with your GOAL Coach.

Free Credit Reports

Get your free credit report today from each of the three reporting agencies: TransUnion, Equifax, and Experian. For a fee, Annual Credit Report will also provide you with your FICO score. For more information go to: www.consumer.ftc.gov

Ask a Coach

Q. I have been using Credit Karma to monitor my score, why should I pay for a FICO score?

A. A variety of agencies like Credit Karma do offer “free” scores. Remember these aren't scores a lender would use when considering your credit worthiness; they use a different scoring model. The majority of lenders will pull your FICO score. Although, these “free” scores *can* give you an estimated idea of where your score might fall. Also, a word of caution: an agency offering a free score may be “phishing” for your business and might automatically sign you up for their credit monitoring program, so do your research.

Q. How does a debt consolidation program help?

A. If you have a high amount of outstanding debt (over \$10,000) and you are ready to be disciplined and get things paid off then a debt consolidation program might be a good option. A credit counselor will sit down with you and help you create a realistic household budget. This budget will include a monthly payment to the debt consolidation program, which they use to pay your creditors directly. The debt consolidation agency will negotiate the debt, percentage rates, and total payments as agreed upon with each creditor. Keep in mind, these agencies charge for their services, so do your homework to find a reputable agency. A good place to start is with your local banking institution for recommendations in your area and/or GreenPath, www.greenpath.com/greenpath-financial-wellness.



Money is like time—you have what you have and need to use it wisely.
~Lesley F. Brey

FSS Successes During the Past Four Months

- Congratulations to Lisa, Sarah, Jessica, Courtney, Robin and Jen! Each have landed full-time jobs with benefits, including retirement!
- Stacey, Shannon, Tom and Jenny are now working part-time. Way to go!
- Nathalie has been working part-time for over a year and recently she was offered a full-time schedule.
- Janetia, a very busy mother of three, completed beauty school and is employed as a stylist at a salon. She also purchased a car to provide reliable transportation for her family!
- Pam, our latest GOAL graduate, earned her GED and successfully completed a dental assistant program. She is employed by a dental practice—congratulations Pam!
- Marie completed WorkReady NH's, *Build Your Career* program. Earning a National Career Readiness Certification and a renewed sense of confidence, she is currently job searching.
- Congratulations to Nicole, she earned her Licensed Practical Nursing certification.
- Jen and Robin have each been approved for a mortgage to purchase a home of their own!
- Eight participants graduated from GOAL with a combined total of \$22,136 in escrow funds!

The GOAL Program can assist you with:

Your GOAL Coach will support you and share resources that will help you succeed in these areas!

- Career assessment and education
- Employment, job retention and advancement
- Financial management and building better credit
- Homeownership

Get the most out of GOAL by using these helpful tools:

www.nhhed.com for resources and online training.

www.virtualgoalcoach.net to map, track, and find the resources you need to reach your goals.

www.findfinancialfreedom.org to manage your income and expenses.