



USA FRANCE
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"Credit Score": understand, build, and optimize

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The credit score is a cornerstone of financial management in the United States, even for us French expatriates. Whether it's to secure a loan, obtain a credit card, or rent an apartment, a good credit score makes many processes easier. This updated article guides you through the essential concepts of the credit score, its significance, and strategies to optimize it in 2025.

What Is a Credit Score?

A credit score is a numerical representation of your financial reliability based on your history of financial behavior. Calculated by agencies like Equifax, Experian, and TransUnion, it acts as a barometer to assess your risk as a borrower.

👉 **Good to know:** In 2025, mobile apps like Experian Boost allow you to add regular payments (bills, subscriptions) to quickly improve your score.

What Is a Credit Score Used For?

The credit score plays a key role in:

- **Loan or credit card applications:** Influences eligibility and interest rates.
- **Housing rentals:** Demonstrates reliability to landlords.
- **Insurance:** Can affect premiums.
- **Employment:** Some employers review it for financial positions.

👉 **Good to know:** In some U.S. states, insurers and employers are limited or prohibited from using credit scores. Check local laws.

How Is a Credit Score Calculated?

The FICO model, widely used, is based on the following criteria with specific weightings. Below are some tips to consider:

- **Payment history (35%):** Pay your bills on time to avoid negative impacts.
- **Amounts owed (30%):** Maintain a credit utilization rate below 20%.
- **Length of credit history (15%):** Older credit history is better.
- **Credit mix (10%):** Diversify your credit accounts.
- **Recent inquiries (10%):** Limit new credit applications.

👉 **Good to know:** For example, on credit cards, a utilization rate below 10% is ideal to maximize your score.

What Are the Credit Score Ranges?

- **300 - 579:** Poor. Difficult to secure favorable terms.
- **580 - 669:** Fair. Access is possible but with limitations.
- **670 - 739:** Good. Competitive terms are available.
- **740 - 799:** Very good. Access to attractive financial products.
- **800 - 850:** Excellent. Best offers and rates.

👉 **Good to know:** A score above 800 doesn't always provide additional benefits compared to a very good score.

How to Build a Good Credit Score

- **On-time payments:** Meet all your deadlines.
- **Low utilization rate:** Keep your debt under 20% of your limits.
- **Patience:** A good score takes time to build.
- **Credit diversity:** Add different credit types if possible (cards, loans).
- **Regular monitoring:** Identify and correct errors.

👉 **Good to know:** Secured credit cards are an excellent way to start building a credit history if you're new to the U.S. system.

How to Monitor Your Credit Score

- **Annual free reports:** Via AnnualCreditReport.com.
- **Free apps:** Credit Karma, for example, offers regular updates.
- **Paid services:** Provide advanced features like real-time alerts.

👉 **Good to know:** Paid services may include identity theft protection, a valuable feature in case of fraud.

Conclusion

A solid credit score opens the door to advantageous financial opportunities and a better quality of life. In 2025, proactive monitoring and digital tools make score management even easier. Remember to pay your bills on time, maintain a low credit utilization rate, and use modern tools to optimize your score.



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