What Credit Score Changes Matter Before Buying?

If you're thinking about buying a home, you've probably heard that **your credit score matters.**

But what actually makes a difference?

Should you pay off a credit card? Avoid opening new accounts? Close old cards? Is checking your credit going to hurt your score?

The answer is that not every credit move has the same impact.

Your credit score is one factor lenders consider when evaluating a mortgage, and higher scores can generally help borrowers qualify for better rates. Lenders also look at other factors, including income, debt, assets, and the overall credit report.

Here are some of the things that can actually move the needle.

1. Keep Your Payments On Time

This is one of the biggest ones.

Payment history is the largest category in a FICO Score, accounting for 35% of the score.

If you're preparing to buy a home, make your existing payments a priority.

Don't miss payments just because you're saving for a down payment.

If you're having trouble making a payment, contact the creditor and consider getting professional financial guidance.

2. Pay Attention to Credit Card Balances

Your credit utilization can have a meaningful impact on your score.

In simple terms, utilization is how much of your available revolving credit you're using.

For example, if you have a $10,000 credit limit and a $5,000 balance, you're using 50% of that available credit.

FICO considers amounts owed as 30% of its scoring formula, and utilization is an important part of that category.

The takeaway?

If you're preparing to buy, paying down revolving balances may help your credit profile.

But don't assume there's a universal magic number that guarantees a specific score increase. The impact depends on your overall credit profile.

3. Be Careful About Opening New Credit

That "10% off if you open a new store card" offer may not be worth it right before buying a house.

New credit is one of the factors in FICO scoring, and opening several accounts in a short period can negatively affect your score.

If you're getting ready to apply for a mortgage, think twice before opening new credit cards or taking on new loans.

And definitely talk with your lender before making major financial changes.

4. Don't Close Old Credit Accounts Just Because You Paid Them Off

Paying off a credit card can be a positive financial move, but closing an old account isn't automatically beneficial to your credit score.

The length of your credit history is another factor in FICO scoring.

Before closing an established account, consider asking your lender or a qualified credit professional whether it makes sense for your particular situation.

5. Check Your Credit Reports for Errors

This is one step you can take **before** you're ready to apply.

Review your credit reports and look for information that doesn't belong to you or appears to be inaccurate.

The CFPB recommends checking your reports and disputing errors. Checking your own credit report does **not** hurt your credit score.

Finding an error early gives you more time to address it before you're in the middle of a home purchase.

6. Don't Panic Over Every Credit Inquiry

If you're shopping for a mortgage, you may have multiple lenders check your credit.

That doesn't necessarily mean every inquiry will damage your score.

The CFPB explains that multiple mortgage inquiries made within a 45-day window are generally treated as a single inquiry for scoring purposes.

So don't let the fear of a credit inquiry stop you from comparing mortgage options.

What Should You Focus On?

If buying a home is on your horizon, focus on the things that matter most:

✔️ Pay bills on time

✔️ Keep revolving balances under control

✔️ Avoid unnecessary new credit

✔️ Check your credit reports for errors

✔️ Don't make major financial changes without talking to your lender

And remember:

There isn't one magic credit-score number or one action that guarantees you'll qualify for a mortgage or receive a particular interest rate.

Loan programs and lenders have different requirements, and your overall financial picture matters.

The Bottom Line

You don't need to obsess over your credit score every day.

But if buying a home is in your future, **the sooner you understand your credit profile, the more time you have to make informed decisions.**

Start early, talk with a qualified mortgage professional, and give yourself time to address potential issues before you're ready to make an offer.