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Q: I logged a dispute with a credit reporting bureau and it was resolved in my favor. How long will it take before my scores are updated? I'm looking to buy a home soon.

A: It's difficult to know how quickly changes to your credit history are reflected in your credit history and score. That's because your credit score is a reflection of all the information in your credit history. If you had one piece of negative information (like a late payment that really wasn't late, for example), and that piece of information is removed from your credit history, your credit score should bounce upward fairly quickly.

But some negative information will have a bigger impact on your credit score heavily than others (a bankruptcy versus a late payment), so the upward bounce may not be as much as you'd expect. You indicated that you resolved a credit item but that credit item might have had a minimal impact on your credit score. Depending on what it was, how it was reported, and when it was reported, removing that information will have a smaller or larger impact.

For example: If you have an unpaid bill that now shows as paid in full, that might help you much more than if you had an amount that didn't get processed correctly that now shows that you paid it on time. That item may have hurt you very little and correcting it might not have changed much.

We get it: When you're looking to buy a home, you want your credit score to be as high as possible. The higher your credit score, the lower the interest rate you'll qualify for and the better chances you'll have in getting your loan approved.

You didn't indicate what your credit score is, but you'll get the lowest interest rate if your credit score is at least a 760. Many lenders will give you a home loan even if you have a credit score of 620. The difference in the interest rate you're offered with a high credit score could mean you'll save thousands of dollars over the life of the loan.

Raising your credit score won't fix everything for you. Lenders will want to make sure you have a solid down payment. They'll want to see you have some extra cash stashed away in a savings account -- just in case. And, they'll want to make sure you have enough income to allow you to comfortably make your payments each month.

We know you're aware of what a higher credit score will do for you, otherwise you wouldn't be asking about how long it takes to see improvements. Sadly, your credit score can fall much faster than it will rise. While you're waiting, make sure you keep your finances in good order, save as much as you can, pay down your credit card balances, stay employed, and make sure you pay all your bills on-time and, if possible, in full.

CREDIT SCORES

FALL FASTER

THAN THEY RISE

BUT THERE'S

HOPE

CREDIT HISTORY