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Residents Of The West And New England Have Nation's Highest Credit Scores

CHARLOTTE, N.C., Feb. 4, 2016 /PRNewswire/ -- San Francisco-area residents have the highest credit scores of any metro area in the US, increasing their eligibility for the best rates on mortgages and other types of loans.



That's one of the findings of a [new analysis](#) of credit scores and loan offer information from [LendingTree®](#), the nation's leading online loan marketplace. The company examined over four million loan requests made through [LendingTree.com](#) in 2015 to calculate average credit scores by metro areas, and to correlate credit scores with loan offer interest.

Western and Northeastern metros dominate the top spots on the credit score rankings, accounting for ten of the top twenty areas. Metros in Southern states account for virtually all of the twenty lowest-ranking cities.

Credit scores represent people's creditworthiness for loans through a calculation of several different factors, including the amount an individual currently owes to lenders and his or her credit history. Most credit score models range from a low of 300 to a high of 850, with those above 720 usually considered excellent loan candidates and those below 500 generally classified as poor candidates. The average score in this study is 643.

"Because credit scores are so closely tied to interest rates offered to borrowers, a credit score difference of even 50 points can mean substantial financial savings for large financial transactions like buying a home, financing a car or consolidating debt," said Doug Lebda, founder and CEO of LendingTree. "Knowing and managing your credit score is especially important in this volatile interest rate environment."

People living around San Francisco and San Jose boast an average score of approximately 673, besting Bridgeport, CT and Boston, both about 664, Oxnard/Thousand Oaks, CA at roughly 663 and Denver and Washington, DC, each around 662.

With an average credit score of 620, Jackson, MS takes the list's bottom spot.

Credit and loans

In 2015, borrowers with a credit score of 720 and higher were offered APRs averaging 4.15% for a 30-year fixed rate purchase mortgage. For a \$200,000 loan, the monthly payment would be roughly \$963 per month.

However, borrowers with a credit score between 620 and 639 were offered APRs averaging 4.93%. For the same loan, the borrower with the lower credit score would pay about \$1,052 per month, a difference of roughly \$89 per month, \$1,068 per year or over \$32,000 over the life of the loan.

"If you are planning a major purchase in the next year or two, there are several steps you can take now that will help to improve your credit score in the future," said Lebda. "Reducing balances on credit cards is a good place to start. Second, always be diligent about paying your bills on time and find ways to remind yourself of when a payment is due. Third, be sure to review details in your credit report and alert the major credit agencies to any errors. With [MyLendingTree](#), we provide a free monthly credit score and score analysis to help consumers easily monitor and manage their credit score. We also analyze interest rates offered on our network and, based on your credit profile and existing loan details, will let you know if you could be overpaying, by how much, and what you can do to save money on your loan payments."

TOP 10 METRO AREAS BY CREDIT SCORE

Region	Metro Area	Avg Credit Score	Rank
West	San Francisco-Oakland-Fremont Ca	673	1
West	San Jose-Sunnyvale-Santa Clara Ca	673	2
NE	Bridgeport-Stamford-Norwalk Ct	664	3
NE	Boston-Cambridge-Quincy Ma-Nh	664	4
West	Oxnard-Thousand Oaks-Ventura Ca	663	5
West	Denver-Aurora Co	662	6
SO	Washington-Arlington-Alexandria Dc-Va-Md-Wv	662	7
MW	Minneapolis-St. Paul-Bloomington Mn-Wi	661	8
West	Portland-Vancouver-Hillsboro Or-Wa	659	9
West	Seattle-Tacoma-Bellevue Wa	657	10

BOTTOM 10 METRO AREAS BY CREDIT SCORE

Region	Metro Area	Avg Credit Score	Rank
SO	Little Rock-North Little Rock-Conway Ar	629	91
SO	Columbia Sc	629	92
SO	El Paso Tx	628	93
SO	Birmingham-Hoover Al	627	94
MW	Youngstown-Warren-Boardman Oh-Pa	626	95
SO	Memphis Tn-Ms-Ar	625	96
SO	Killeen-Temple-Fort Hood Tx	624	97
SO	McAllen-Edinburg-Mission Tx	624	98
SO	Fayetteville Nc	624	99
SO	Jackson Ms	620	100

30yr Fixed Rate Purchase Mortgage 2015	
Credit Score	Avg. Offered Interest Rate
720+	4.15
680-719	4.36
660-679	4.64
640-659	4.79
620-639	4.93
580-619	4.68

METHODOLOGY: The study is based on data from more than four million loan requests submitted through LendingTree in 2015 including refinance, purchase, home equity, and personal loans (excluding auto, business, student & credit card.) The data ranks the top 100 metro areas based on average credit scores and examines how credit scores significantly impact interest rates and monthly payments. Credit scores are rounded to the nearest whole number; if two metros are listed sequentially with the same score, it means the higher-ranked metro actually has a higher average score if decimal point numbers were included.

Credit Score Breakdown

Credit scores for consumers who receive at least one loan offer are slightly higher on average when compared to all loan shoppers:

Credit Score	Percent of All Loan Shoppers in 2015	Loan Program	Avg Credit Score of Borrowers w/Offer
760+	8.0%	30-yr Fixed Purchase	713
720-759	11.3%	30-yr Fixed Refinance	722
680-719	16.0%	3-yr Personal Loan	690

640-679	18.3%
600-639	17.2%
560-599	15.0%
Below 560	14.1%

To view the original release please visit LendingTree's [Press Room](#):

About LendingTree

LendingTree (NASDAQ: TREE) is the nation's leading online loan marketplace, empowering consumers as they comparison-shop across a full suite of loan and credit-based offerings. LendingTree provides an online marketplace which connects consumers with multiple lenders that compete for their business, as well as an array of online tools and information to help consumers find the best loan. Since inception, LendingTree has facilitated more than 55 million loan requests. LendingTree provides free monthly credit scores through My LendingTree and access to its network of over 350 lenders offering home loans, personal loans, credit cards, student loans, personal loans, business loans, home equity loans/lines of credit, auto loans and more. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information go to www.lendingtree.com, dial 800-555-TREE, like our Facebook page and/or follow us on Twitter @LendingTree.

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