LP

LendPrep

GET FUNDING-READY

The LendPrep Handbook

How to raise your credit score and get funding-ready — the fast, honest way.

Business HELOC — 600+

SBA Loan — 640+

A free guide from LendPrep · Educational information only — not credit-repair, financial, or legal advice.

START HERE

Your credit score is the fastest lever you can pull.

Most business owners think funding comes down to revenue. It helps — but the single number that opens or closes the most doors is your **credit score**. The good news: it's also the number you can move the fastest. This handbook shows you exactly how to hit the two thresholds that matter, and what lenders look at once you get there.

The two targets we're aiming for

Business HELOC — 600+ credit. If you own property with equity, a 600 score plus that equity can unlock a flexible business line of credit at lower rates than unsecured options.

SBA Loan — 640+ credit. The best rates and longest terms in business lending. Lenders also want ~2 years in business and steady revenue — but 640 is the credit doorway.

Wherever you are today, the plan is the same: clean up the report, drive utilization down, protect your payment history, and give it a little time. Let's go.

/ How your credit score actually works

Your FICO score is built from five ingredients. Two of them do most of the moving — focus your energy there.

35%	**Payment history** Do you pay on time? One missed payment can cost you dozens of points.
30%	**Amounts owed (utilization)** How much of your available credit you're using. The fastest lever.
15%	**Length of credit history** Older accounts help. Don't close your oldest cards.
10%	**New credit / inquiries** Too many recent applications ding you. Space them out.
10%	**Credit mix** A healthy blend of card + installment credit helps a little.

The takeaway

Payment history (35%) and **utilization (30%)** are 65% of your score — and both can improve within one or two billing cycles. That's why real gains often show up in 30–90 days.

/ The 90-day credit boost plan

1. Drive utilization under 30% (ideally under 10%).
This is the biggest quick win. Pay balances down so each card — and your total — sits below 30% of its limit. Under 10% is elite. Tip: pay *before* the statement closes, since that's the balance that gets reported.

2. Never miss a payment — automate it.
Set autopay for at least the minimum on every account. A single 30-day late mark can undo months of progress. Payment history is 35% of your score.

3. Pull your reports and dispute errors.
Get free reports at annualcreditreport.com from all three bureaus. Errors are common — wrong balances, accounts that aren't yours, old debts that should have aged off. Dispute them; removals can lift your score quickly.

4. Ask for credit-limit increases.
A higher limit instantly lowers your utilization ratio without paying anything down. Request increases on cards you've held in good standing — just avoid ones that trigger a hard pull.

5. Keep old accounts open.
Length of history matters. Don't close your oldest card, even if you don't use it — put a small recurring charge on it and autopay it off.

6. Freeze new applications before you apply.
In the 3–6 months before you seek funding, avoid new credit cards, car loans, or anything with a hard inquiry. Each one can shave points at exactly the wrong time.

Realistic timeline

Utilization improvements can show up in **1–2 billing cycles**. Dispute removals in **30–45 days**. Rebuilding after late marks takes longer — but most owners can move **20–60 points in 60–90 days** with disciplined execution.

/ Do this, not that

DO	DON'T
• Pay balances before the statement date	• Close your oldest credit accounts
• Keep every card under 30% utilization	• Max out a card “just this once”
• Automate at least minimum payments	• Apply for new credit right before funding
• Dispute inaccurate items in writing	• Ignore small collections or charge-offs
• Request limit increases on old cards	• Co-mingle personal and business spending

/ Bonus: build BUSINESS credit too

Your personal score gets you in the door — but a real business credit profile strengthens every application and helps you borrow more, at better terms, without leaning on personal credit forever.

- **Separate the business.** Form an LLC or corp, get an EIN, and open a dedicated business bank account.
- **Get a D-U-N-S number.** It's free from Dun & Bradstreet and starts your business credit file.
- **Open net-30 vendor accounts.** Buy from suppliers that report to business bureaus, and pay early.
- **Use a business credit card.** Keep utilization low and pay on time — same rules as personal.
- **Keep clean books.** Lenders want to see organized financials and consistent deposits.

/ Beyond the score: what else lenders want

Hitting 600 or 640 is the doorway — these four factors decide how much and how fast:

- **Time in business.** SBA generally wants ~2 years. Newer businesses lean on term loans and HELOCs.
- **Revenue & cash flow.** Consistent monthly deposits show you can service the payment.
- **Existing debt — especially MCAs.** Merchant cash advances with daily payments are a red flag. If you have them, consolidating first is often the smartest move.
- **Documentation readiness.** Bank statements, tax returns, and a simple P&L ready to go can be the difference between a week and a month.

YOUR NEXT STEP

See exactly what you qualify for — in 60 seconds.

Take the free **LendPrep Readiness Score**. Answer five quick questions and get your funding readiness score, the products you qualify for right now, and your personal next step. No credit pull.

Take the Readiness Score → lendprep.com/score

Prefer to talk it through? Book a free strategy call and we'll build your prep plan together.