When good credit marries into bad

Sometimes when opposites attract, it's a bad thing. If you keep your finances separate, you'll be untarnished. But signing the dotted line together could hurt.

If I have really good credit and the person I am marrying has bad credit, how does that affect me and my credit?

Each person has his own separate credit report, so you don't have to worry about your spouse's bad credit affecting your record the minute you get married. As long as you apply for a loan on your own, the lender can't check your spouse's report, too.

But your spouse's bad credit could bring you down if you sign for a loan together. Consider keeping your credit cards separate and taking out any loans in your name alone. That might be tough to do, however, for big loans -- such as a home mortgage -- where it may help to report both incomes. In that case, weigh the merits of taking out the loan on just your income (if possible) vs. including both incomes.

In some cases, an even better option may be to wait before taking out a big loan. That would give you and your future spouse time to improve your credit records and save for a larger down payment, which often prompts lenders to be more lenient.

Even if you don't have plans to borrow much money anytime soon, encourage your fiancée to start improving his or her credit record now. That may be an incredibly awkward discussion, but it will pay off over the long run.

How to clean up your score

Pay your bills on time. Your payment history accounts for 35% of your total credit score, according to Fair Isaac, the company that compiles the scores that most lenders use. Another 30% of your score is based on how much you owe. Owing some money is fine, but if your balances are too large, lenders worry that you're overextended and won't be able to repay them.

About 15% of your score is based on how long you've had a credit history; the longer, the better. Avoid closing a lot of old accounts or opening several new ones, because that will lower the average age of your accounts. New credit makes up 10% of your score; lenders worry that you'll borrow too much money if you've recently opened a number of new accounts.

Finally, 10% of your score is based on your mix of credit cards, mortgages, installment loans and other debts. Lenders are most interested in your history of managing credit card debt.

Your credit score is based on information in your credit report, so it also helps to contact the three credit bureaus to make sure your reports are free of errors that could lower your score.