

The book was found

Getting Out Of Debt (Quickstudy: Home)

Getting Out of DEBT
BUILDING & REBUILDING CREDIT

What Do Creditors Look For When Deciding Creditworthiness?

- They are credit lenders who are eager to extend money to creditworthy borrowers (banks, credit unions, car dealers, finance companies and banks and more)
- All of these lenders are always aware who they lend their money to - they only want to do business with those individuals they are confident will pay them back.
- The following three "C's" help lenders decide if you are creditworthy:

Character - do you intend to repay your debts?

- Have you ever made bad loans?
- Did you ever miss a bill or rent?
- Do you have a good credit record?
- Do you ever miss a bill or rent?
- Have you ever been in default on a loan?
- Have you ever been in default on a loan?

Capacity - can you repay the debt?

- Do you have a savings account?
- Do you have a steady job?
- How long have you been at your present job?
- What is your salary?
- How many other bills do you have to pay?
- What are your other bills?
- How many dependents do you have?

Building or Rebuilding Your Credit History

- Not all banking services are available to everyone, these services are a privilege, not a right.
- Those who show the best habits will find it a privilege.
- Those with no income and bad credit will find they simply are not desirable customers of any bank or credit union.
- The following list can help you build or rebuild your credit history:

The 4 C's are:

- Open a checking account, and avoid bouncing checks or overdrawing the account.
- Open a savings account, and make regular deposits.
- Apply for a credit card, and use it responsibly.
- Apply for a local user credit record, and make regular monthly payments.
- Apply for a small loan, using your savings account as collateral.
- Get a mortgage on a house, and pay back the loan on schedule.

Before You Sign Up for a Credit Card

- Shop around for the best terms, check out www.BestRate.com for the best credit card deals.
- Review the "small print" application form, low and 0% interest rates usually require automatic transfers to a new card.
- Make sure you know what the interest rate will be after the "teaser rate" is over.
- Read and understand the contract.
- Don't rush into signing anything.
- Check the annual fee of the card, comparing with credit unions for the best price on your money.
- Know the penalties for missed payments.

How Much Credit Can You Afford?

It is recommended to use only 10% of your gross monthly income toward unsecured debts.

The example: If you earn \$2,000 per month after taxes, then your credit limit should be \$200. If you have a credit limit of \$2,000, you are over your credit limit by \$1,800. If you have a credit limit of \$2,000, you are over your credit limit by \$1,800. If you have a credit limit of \$2,000, you are over your credit limit by \$1,800.

How Americans Spend Their Money

The pie chart below shows the breakdown of how the average American spends their money, with the most significant being 11% for housing. The average credit card spends more money than any other credit card.

TYPICAL SPENDING

Category	Percentage
Housing	33%
Transportation	11%
Food	10%
Health	9%
Education	8%
Life Insurance, Security, Retirement	7%
Utilities	6%
Travel	5%
Entertainment	4%
Other	3%

Comparing Credit Cards

Consider the following before you sign up:

The Real Cost of Credit:

- Annual Fee
- Annual Percentage Rate (APR)
- Finance charge computation
- Grace period
- Penalty fee for missed or late payments

Questions to Ask About Credit Cards:

- How long will it take to pay off?
- How much interest will I pay?
- How much will I pay in interest?



Synopsis

A complete quick reference guide to help you in building and rebuilding credit.

Book Information

Series: Quickstudy: Home

Pamphlet: 4 pages

Publisher: QuickStudy; Lam Crds edition (May 28, 2003)

Language: English

ISBN-10: 1572227664

ISBN-13: 978-1572227668

Product Dimensions: 8.5 x 11 x 0.1 inches

Shipping Weight: 0.8 ounces (View shipping rates and policies)

Average Customer Review: 3.0 out of 5 stars [See all reviews](#) (2 customer reviews)

Best Sellers Rank: #1,205,528 in Books (See Top 100 in Books) #238 in [Books > Business & Money > Personal Finance > Credit Ratings & Repair](#) #2086 in [Books > Business & Money > Personal Finance > Budgeting & Money Management](#) #278215 in [Books > Reference](#)

Customer Reviews

I was anticipating this quick study guide to be much more insightful. No new or useful information, I have already either researched the information listed or heard about it. Expected something totally different.

This product is very well put together and a wonderful learning tool for both school and yourself! I really love the detailed work put into the barchart series of self help guides. Two thumbs up.

[Download to continue reading...](#)

Debt Free for Life: The Ultimate Guide to Get Out of Debt (FREE Bonuses Included) (Debt, Debt Free, Debt Free Forever, Debt Free for Life, Debt Free for Good, Debt Management, Get Out of Debt) Getting Out Of Debt (Quickstudy: Home) How to Get Out of Debt, Stay Out of Debt, and Live Prosperously*: Based on the Proven Principles and Techniques of Debtors Anonymous Debt Free or Die Trying: How I Buried Myself in Over \$30,000 in Debt and Dug My Way Out Debt-Proof Living: How to Get Out of Debt & Stay That Way Money Management Tips: Control Money Don't Let It Control You (Budgeting your money, How to save money tips, Get out of debt fast, Live cheap, Debt free, Spend less) The Death of Money: Best Tips How to Survive in Economic Collapse and Get out

of Debt (dollar collapse, prepper supplies, prepping, debt free, free money) ... self help, budgeting, money free Book 3) The Death of Money: The Prepper's Guide to Survive in Economic Collapse and How to Start a Debt Free Life Forver (dollar collapse, how to get out of debt) (Preppers, self help, budgeting Book 1) Debt-Free Living: Eliminating Debt in a New Economy Master Your Debt: Slash Your Monthly Payments and Become Debt Free The Debt Escape Plan: How to Free Yourself From Credit Card Balances, Boost Your Credit Score, and Live Debt-Free How to Reduce Your Debt Overnight: A Simple System to Eliminate Credit Card and Consumer Debt Fast Rich Dad's Guide to Becoming Rich Without Cutting Up Your Credit Cards: Turn "Bad Debt" into "Good Debt" Hustle Away Debt: Eliminate Your Debt by Making More Money The Death of Money: How to Survive in Economic Collapse and to Start a New Debt Free Life (dollar collapse, prepping, death of dollar, debt free, how to ... how to make money online, shtf Book 1) Chef'S Guide To Herbs & Spices (Quickstudy: Home) Cat Care (Quickstudy: Home) Home Staging for Profit: How to Start and Grow a Six Figure Home Staging Business in 7 Days or Less OR Secrets of Home Stagers Revealed So Anyone Can Start a Home Based Business and Succeed 33 Ways to Raise Your Credit Score: Proven Strategies to Improve Your Credit and Get Out of Debt How to Wipe Out Your Student Loans and Be Debt Free Fast: Everything You Need to Know Explained Simply

[Dmca](#)