

CREDIT

Types of Credit

 Installment Loans

 Student Loans






 Mortgage

 Payday / Title Loans

 Credit Cards

- Secured
- Unsecured
- Store Cards
- Prepaid

5 C's of Credit

-  Capacity Income to debt ratio
How much debt can you take on
-  Character Trust and accountability
How do you conduct your business. Do you pay on time. Do you have a lot of debt.
-  Collateral Something of value
What do you have of value to secure the loan In an auto loan the car is collateral
-  Conditions Bad things do happen to good people
What conditions may have occurred in the past that effected your credit. Whats your story.
-  Capital Down payment/skin in the game.
What do you own. What is in your savings.

Delayed Gratification = Sacrifice
Principle + Interest = Loan

Life is All About Having Choices

- ◆ *The choice to work where you want.*
- ◆ *The choice to pay a lower price.*
- ◆ *The choice to buy your dream car.*
- ◆ *The choice to avoid paying deposits.*
- ◆ *The choice to pay less in interest.*
- ◆ *The choice to make your own decision.*

Side Effects of Bad Credit

1. High interest rates on your credit cards & loans
2. Credit and loan applications may not be approved
3. Difficulty purchasing a car
4. Difficulty getting approved for an apartment
5. Security deposits required
6. Higher insurance premiums
7. You can't get a cell phone contract
8. Calls from debt collectors all day
9. Difficulty starting your own business
10. You could get denied employment

Ways to fix it

1. Pay on time every time
2. Reduce overall debt
3. Reduce credit card debt
4. Work out payment plans
5. Build a budget
6. Stick to the budget
7. Love your budget
8. Talk to your local credit union
9. Avoid emotional purchases
10. Pay attention to the small stuff

Know Your Credit.

Know what's going on with your credit. Get a FREE credit report once a year, no strings attached with ***creditkarma.com***

