



Building your Credit



Modern societies are based on credit. Business loans, credit cards, home mortgages and other kinds of financing arrangements allow us to purchase goods and services that cost more than we have readily available in cash.

Building a Credit Record

One method of obtaining a first-time loan is to establish a savings account with a bank in your area. Ask the bank to extend to you a loan using your own savings account as collateral.

Credit cards are another option for building a credit history. It can be hard to get approved for your first credit card, but many companies offer cards with higher interest rates for those who need to establish credit. If you secure such a card, pay off the entire outstanding balance each month to avoid any finance charges.

Another way to establish credit is by applying for a gasoline credit card or a card issued by a department store. They have more lenient credit policies.