

## HOW DO YOU HANDLE CREDIT?

At some point or other, most everyone applies for some form of credit, whether it's for a new house, a new car or bank credit cards. There are very few people who can afford to pay cash for every single purchase.

This is where banks come in. There are many businesses that will not accept a personal check from a person who does not have a credit card. It is also difficult and sometimes impossible to rent a car without a credit card. The credit card has quickly become a major identification tool.

Your credit rating is very important and must be protected at all costs. Whether good or bad, your credit standing is no secret. Whenever you apply for any type of credit, you will be investigated. Your payment habits go on file at the credit bureau. Your credit file shows your credit history, income level and your payment habits. Delinquent entries on your credit report may very well result in denial of credit.

Not only is having credit a necessity, a good credit rating is just as important. However, each year, millions of well-intentioned people find themselves in financial crunches that severely jeopardize their credit standing.

These are well-meaning people, just like you, who might have lost income through illness and/or hospitalization, job loss or, more commonly, simply over-extending themselves. The reasons why you are now in a financial bind are not particularly important at this point. Your aim now is to get out of debt and re-establish your credit.

How can you tell whether or not you have a credit or debt problem? Review the following list and ask yourself these questions:

- Are you paying high interest rates?
- Are you being charged late fees?
- Are you getting calls from creditors?
- Can you afford the monthly payments but not the past-due amount?
- Are you making monthly payments, but your balance never seems to go down?
- Do you worry about paying your bills?

- Would reducing your payment help?
- Are you racking up credit card debts faster than you can pay them?
- Do you feel like you're sinking in quicksand and you desperately want to get out?
- Are you always short on cash because you have to cover the past due bills?

**If you answered yes to any of these questions, you have a problem.**

Some of the nicest people have the worst problem handling debt and credit issues, but unfortunately by the time they realize it, it may be too late. Take these warning signs to heart and decide now to conquer debt before it conquers you.