

## My Credit Practices

Read the following statements about using credit and check those that apply to your situation.

- I only buy things that I need or that I can afford.
- I hide things that I buy on credit or lie about how I paid for them.
- I know how much money I need each month for my living expenses.
- I use cash advances on a credit card to pay for groceries or other necessities.
- I know how much I owe in total on my debts.
- I put off looking at my bills and credit card statements.
- I usually pay more than the minimum on my credit cards
- I charge more on my credit cards than I pay each month.
- I know the total amount of interest that I pay every year on my debts.
- I owe money to seven or more creditors.
- I look at the total cost of interest before I borrow.
- I have overdue credit payments that will take more than a year to repay.
- I know the percentage of my gross monthly income that goes to credit payments.
- I have used *rent-to-own* stores, pay day loans, or *buy here, pay here* car dealers.
- I have ordered my free credit reports within the past year and reviewed for errors.
- I have a past due credit payment that will take more than a year to pay repay.

The statements with green boxes represent positive credit practices. The more you have checked, the easier rebuilding your credit will be! The unchecked green boxes are practices in which to work towards implementing. The statements with red boxes indicate credit practices that will hinder the rebuilding process and will need some adjustments.

To rebuild and manage your credit moving forward, start small by working on one or two areas and continue until you have addressed all of the unchecked green boxes and the red box items that you checked.

Source: Adapted from *DollarWorks 2* (University of Minnesota)