



Common Credit Mistakes You Need To Avoid

by John Addison

(NAPSA)—Too often, consumers find that it doesn't take much to damage good credit. Fortunately, there are some very common mistakes that, in reality, are not that hard to avoid. Steering clear of them can help to protect your credit.

1. Not valuing your credit.

Good credit is a valuable commodity in today's economy. Bad credit, including a bad credit record, late



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payments and so on, can create a negative financial profile when you have a legitimate need to borrow. Abusing short-term credit obligations can cause a mortgage

lender to reject your application for a home mortgage.

2. Allowing a need for status to overrule common sense.

Most credit card companies now offer a "status" card targeted to a consumer's desire to have the best of everything. While status cards tend to have higher limits and more frills, they also carry the highest annual fees—from \$75 to \$100. The basic card from the same company will likely offer the same basic features and a much lower annual cost.

3. Raising credit card limits.

If you use credit cards, avoid raising your limit. An increased

limit is merely an increased temptation to buy. If your company notifies you that it's raising your limit, you can refuse. Simply call or write to say thanks but no thanks.

4. Not monitoring your credit.

Lenders get a snapshot of your debt repayment history with your credit report and it's important you know what they're seeing. You can review your credit report once a year, free. Know where you stand.

5. Not knowing your interest rate and fees.

Fees can vary widely among cards. Always make sure you know what the rate and annual fees are before you accept the card. If you have existing cards, check the rate you're paying and if it is high, shop around for a card with a lower rate.

These common mistakes could end up costing you hundreds of dollars and affect how lenders view you.

Learn More

Financial professionals at Primerica have created a guide that can show you how to take control of your financial life. To get a copy of "How Money Works," write to Primerica, 3120 Breckinridge Blvd., Duluth, GA 30099. ATTN: Corporate Relations, or call (770) 564-6329. For more information, visit www.primerica.com.

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