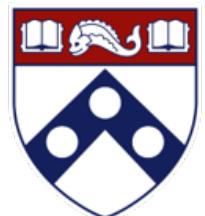




## PREPARING YOUR CREDIT FOR BORROWING



Financial Wellness  
@ Penn



# Financial Wellness @ Penn

Financial Wellness @ Penn aims to enhance students' financial well-being by providing personal finance education, tools, and resources. Our goal is to help students feel empowered to set financial goals, make informed financial decisions, and improve their financial behaviors. We believe every student—undergraduate or graduate—should leave Penn with a plan for their financial future.

<https://sdfs.upenn.edu/financial-wellness>



# CREDIT

Credit = the general state of your debt behaviors.  
Represented by credit scores and credit reports.

Your credit informs lenders about your trustworthiness.

Your credit may be reviewed for a variety of reasons:

- To borrow later
- To rent an apartment
- To get a job

Credit is important for international students as well!



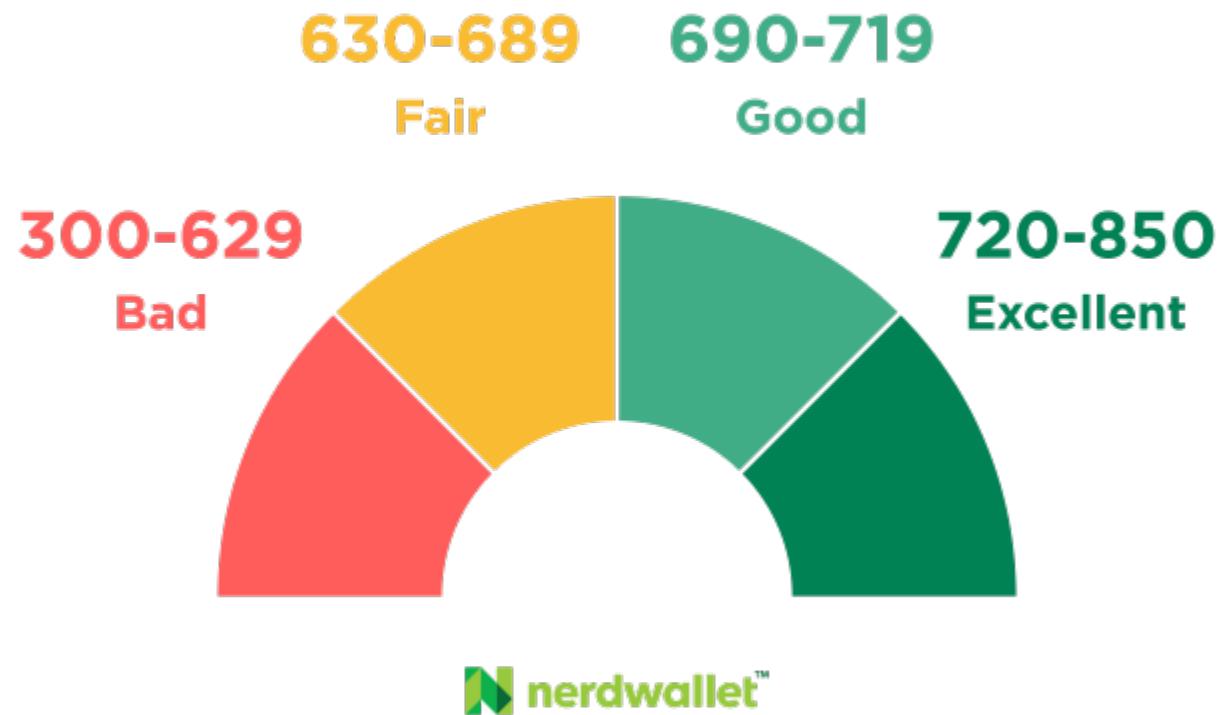
# CREDIT SCORES

Credit scores: A numerical representation of your creditworthiness, based on these criteria:

- Payment history
- Credit utilization
- Length of credit history
- Types of credit
- Hard credit inquiries

Where to find your credit score:

- Bank or credit card app
- Credit Karma



# CREDIT REPORTS

Credit reports provide a detailed account of your trustworthiness.

Included in your report:

- Personal information
- Account histories
- Public records
- Collections
- Credit inquiries

Does not include your score.

Typically, you should request your credit report once every four months. You can request it as often as once per week for free.



# READ A CREDIT REPORT

1. Schedule when you plan to request your reports. Put an event in your calendar and specify the bureau from which you're pulling the report.

2. On your scheduled request day, go to [annualcreditreport.com](http://annualcreditreport.com) and make your request. Save as a PDF or print your report.

3. Read through the entire report and confirm that...

- All personal information is correct
- All accounts listed are yours
- Any negative information that's over 7 years old has been removed

If you find an error, dispute it.



# BUILDING CREDIT

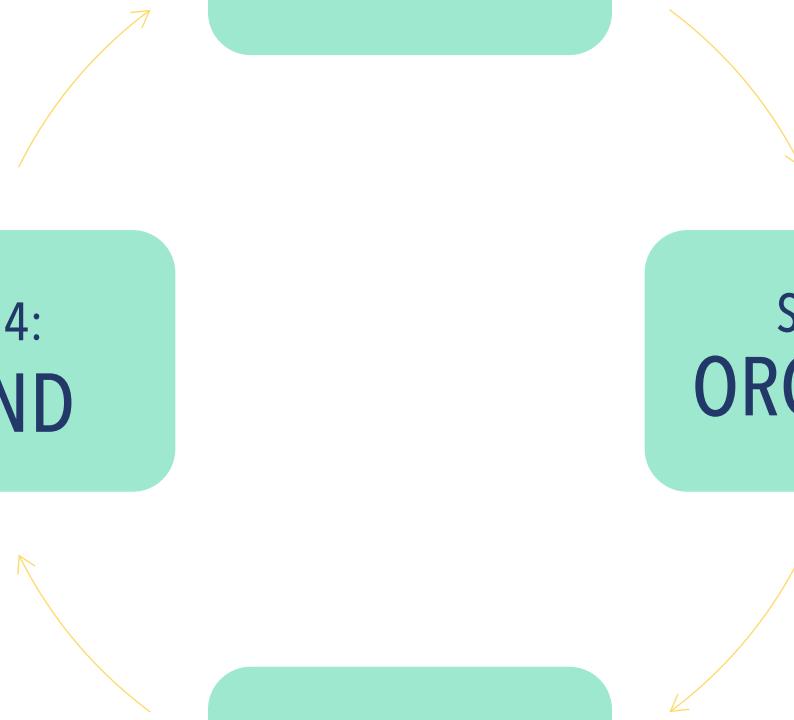


Often you need prior history to open new credit accounts. Everyone has to start somewhere. Here are some options:

**Secured credit cards:** You pay a lender an amount up front that you can continue to borrow and pay back over time.

**Student credit cards:** Many credit card companies offer options for students who are beginning to build credit.

**Authorized users:** If someone you trust has good credit and is willing to add you to one of their accounts, you could benefit from their good credit behaviors without doing anything. This option requires a great deal of trust, so make sure this is an appropriate option before you dive in.



STEP 1:  
**OBSERVE**

STEP 4:  
**SPEND**

STEP 2:  
**ORGANIZE**

STEP 3:  
**PLAN**

# THANK YOU!



Any questions?



Connect with us!

- [financialwellness@upenn.edu](mailto:financialwellness@upenn.edu)
- Schedule an appointment: [bit.ly/fw-appt](https://bit.ly/fw-appt)
- Instagram & TikTok: @finwellatpenn