

Guide to Building Credit from Scratch

If you've never had a credit card, loan, or any type of credit account before, you're not alone — and it's never too late to start building a strong credit profile. This guide will walk you through how to begin establishing credit the right way, while using tools like our free [Key-Steps](#) program to stay on track and monitor your progress.

1. Why Building Credit Matters

Your credit score affects your ability to qualify for loans, rent an apartment, get a credit card, and even sometimes get a job. Lenders and other institutions use your credit report to judge your reliability with money. A solid credit history gives you more options and lower interest rates.

2. Steps to Start Building Credit

- ****Step 1: Sign Up for Free Credit Monitoring****
 - Join our Key-Steps program for ****free credit monitoring****, financial education, and custom action plans tailored to your profile.
 - [Sign up here](#)
- ****Step 2: Open a Secured Credit Card****
 - A secured card requires a deposit that acts as your credit limit. This is a great starter tool to show responsible usage.
 - Use your [Key-Steps](#) dashboard to explore secured card options tailored to your profile.
- ****Step 3: Become an Authorized User****
 - Ask a parent, relative, or trusted person to add you to one of their credit cards as an authorized user.
 - Their good payment history can help build your credit, and you don't need to use the card yourself.
- ****Step 4: Consider a Credit Builder Loan****
 - These small loans are designed to help you build credit safely. You make monthly payments, and the lender reports your activity to the credit bureaus.
 - [Key-Steps](#) can help you find trusted lenders who offer credit builder loans.
- ****Step 5: Pay On Time, Every Time****
 - Payment history is the ****#1 factor**** in your credit score. Always pay at least the minimum by the due date.
 - [Key-Steps](#) sends alerts and reminders to help you stay on schedule.

- ****Step 6: Monitor Progress and Learn****
 - Use [Key-Steps](#) to monitor your credit score and receive personalized tips on how to improve it.
 - Track your progress with monthly updates and educational modules built just for you.

3. Best Practices to Build Strong Credit

- - Keep credit card balances under 30% of the credit limit (ideally under 10%)
- - Don't apply for too much credit at once
- - Keep old accounts open (length of credit history matters)
- - Use credit regularly but responsibly
- - Avoid overdrafts or missed payments
- - Check your [Key-Steps](#) dashboard weekly for personalized credit goals and tools

4. Useful Tools and Resources

- - [Key-Steps](#) Free Credit Monitoring and Score Tracking:
- - Annual Free Credit Reports: <https://www.annualcreditreport.com>
- - Consumer Financial Protection Bureau – Credit Education:
<https://www.consumerfinance.gov/consumer-tools/credit-reports-and-scores/>

5. Disclaimer

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