

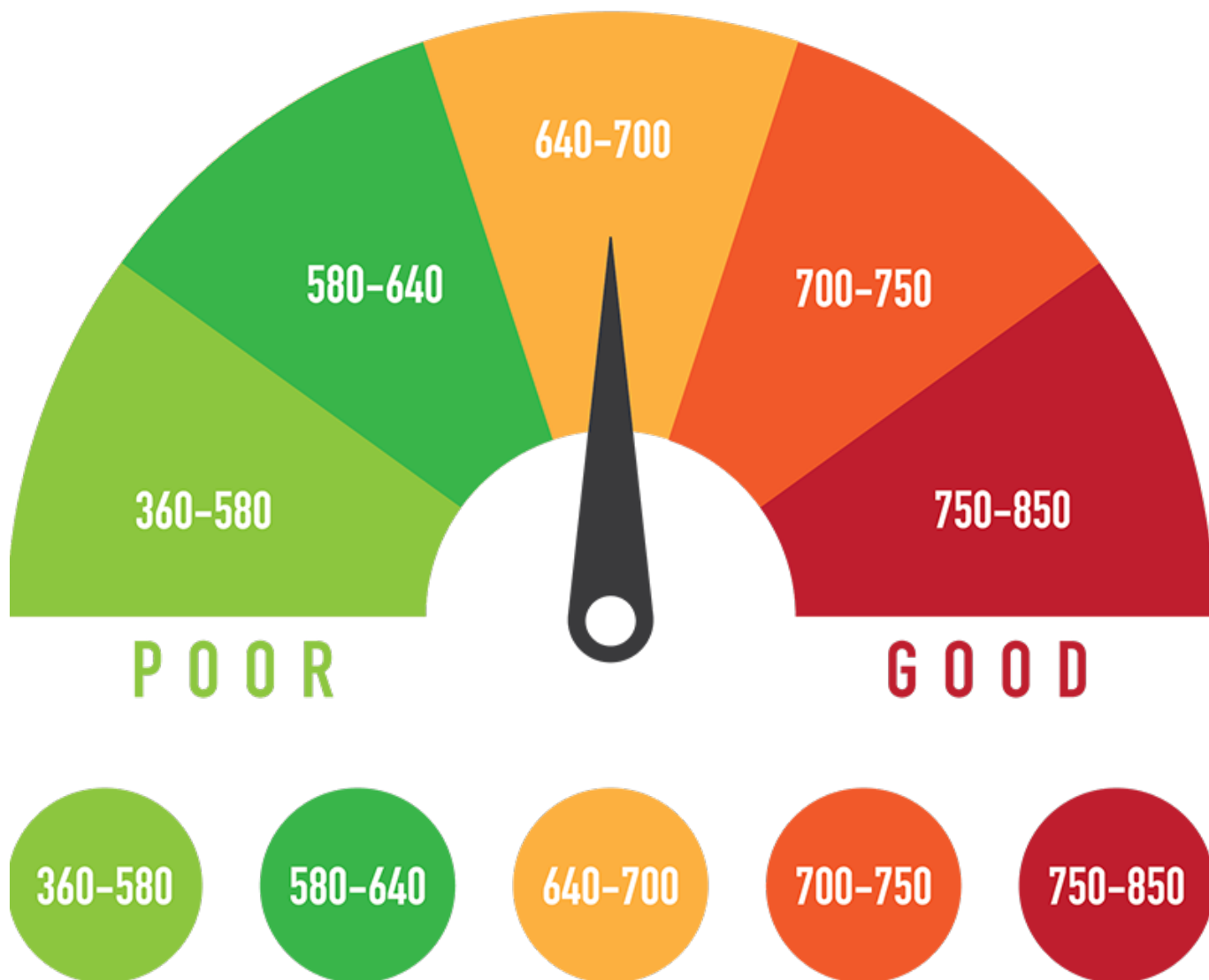
So, you are ready to take a step into adulthood and start establishing your credit. So, you start by searching “how to build your credit score fast.”

It is often said that it’s better to have bad credit than no credit but don’t let that scare you if you have not established any credit history yet. This is good news — according to a [Dallas credit repair company](#):

“It is actually easier to start from nothing than to reverse a bad credit score.”

## **How to Build Your Credit Score: Getting Started**

If you are ready to enter into the rich American tradition of credit debt then the first thing you should do just to be safe is to confirm that you indeed, have no credit. Things like a gym membership or an academic loan can actually establish some credit for you even if you were unaware of it.



Check to see if you have any credit by requesting a credit report from any of the three main credit reporting entities [Equifax](#), [TransUnion](#) or [Experian](#). The law stipulates that you can request one free report from any or all of these credit recording bureaus once a year.

If it turns out that you really do have no credit, don't panic. There are simple ways to establish some. You just have to be a bit patient.

## Gas Card First to Build Your Credit Score?

Applying for a gas card is a great way to build some starter credit because there is very

little chance of abuse as it can only be used for fuel purchases, it is for something that you would probably buy anyway, it is easy to keep track of and the credit requirements are usually very low for one.



Most major gas stations offer gas credit cards with bonuses as well. Just make sure you pay on time and you should start to build credit within 6 months.

## What About Co-Signing to Build Your Credit Score?

Another good way for a beginner to build a good [credit score](#) is by getting a co-signer. We know [buying a house with bad credit](#) is tough, but its good to know that most unsecured

credit cards are out of reach to people with no credit because the issuing bank or credit company needs to know that you will be able to pay the money you use on credit back. This is why having a history of credit is important. It tells issuers that you can (or can't in cases of bad credit) be trusted to pay back what you borrow.

If you have zero credit, try to get a co-signer to help you apply and get approved for an unsecured credit card. You should be aware that the co-signer will be responsible for delinquent payments and anything you don't pay back.

## Secured Credit Lines

This is probably the safest method if you are just starting out on your credit journey because it is essentially fool-proof. The way a secured credit line works is that you pay a certain amount of money up-front. Think of it kind of like a gift card that you feed money into and can use at certain places. The difference though is that this will actually contribute towards your credit history.



Secured credit loans may not require money up-front if you go through a bank that you already have an account with because some banks use the money you have in their account as collateral. The interest rates tend to be a little high with secured credit cards but the good thing about them is that you have the option of creating a credit limit that you can

afford.

## **Become an Authorized User to Build Your Credit Score**

This option can get a little dicey but if you come to a solid agreement with the person you are doing it with and are responsible, it is another good way to start constructing your credit.

Basically, this method entails you becoming authorized to use a parent's, spouse's, sibling's or friend's credit card - it can be anyone who agrees. They are responsible for payments as the main user on the account, but you can use it and make payments as well.

Since your name will be officially added to the credit account, the card issuer will report your activity to the credit bureaus. The only caveat is that you should make doubly sure that the issuer does in fact report authorized user activity and not just the main account holder's activity.

## **Apply for a Store Credit Card**

If you have no credit you may have a stack of rejected applications from banks who don't want to take you on because of your lack of a credit presence. But do you know who might not reject you? Retail stores.

Department stores, hardware stores, electronics retailers and pretty much any kind of store may offer lines of credit with very few requirements. Many people have started their credit history this way because these are not banks. These are private companies that tend to set the bar lower for approval.

Of course, any credit card you get from a store can only be used at that store, but if you get one from a place you actually shop at, it can be a good start for you.

## **Try Your Bank**

Do you have a checking account? If so, then you can probably get approved for an unsecured line of credit through the bank that you already have an account with. They tend to be more lenient about credit card approval if you already have a checking account with them.

## Please, Be Careful

All of these are good ways to start your credit up, but there are also avenues that you should probably avoid. For instance, many car dealerships will offer to finance you even if you have no credit. While getting financed for a car will help build some credit, these loans often come with ridiculously high interest rates, and missing one payment will result in a default and harm your credit score. Resulting in you trying to [rebuild your credit score](#) all over again.

Taking out a small loan from a bank can be dangerous too, even if it does build credit because the interest tends to be high and there is usually a minimum amount of a few thousand dollars.

So, however you decide to navigate the choppy seas of credit, the most important thing is to be responsible. Be careful with loans and financing and even with the preferred methods listed above, because one false move can leave you reeling for years.