

Having No Credit Reports or Scores

Without a good credit history, you may have a harder time getting a loan, renting an apartment, getting a favorable cell phone plan, obtaining some jobs, or turning on utilities.



Try It: Do Credit Reports Matter?

Read the scenario and then answer the questions.

Scenario: Yardley Learns about the Importance of Having a Credit History

Yardley was convinced that credit reports did not matter. She did not plan to get a credit card or any kind of loan. She used cash for everything.

Yardley recently moved and needed to find an apartment. Some landlords would not rent to her because she had no credit history, even if she promised to pay her rent each month in cash. When she found an apartment she liked and a willing landlord, she had to pay a higher security deposit because she did not have a credit history.

She also had to pay a deposit for her utilities because she had no credit history. So, she decided to find out more about credit reports and why having no credit history seemed to create some obstacles and additional costs for her.



What would you tell Yardley about credit reports?

Do you think she should try to build credit? Or, is she better off without a credit history? Be ready to explain your answer.