

### **Credit Case Study Questions**

#### **What is Credit?**

1. Why is it important to have a credit history?
  2. How might not having credit affect Alex's ability to rent an apartment?
  3. What steps could Alex take to start building credit?
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#### **Credit Scores and Credit Reports**

1. What factors influence a person's credit score?
  2. Why is it important to check your credit report regularly?
  3. What could Jordan do to figure out why his credit score is lower than expected?
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#### **Types of Credit**

1. What are the main differences between a credit card and a loan?
  2. Why might Morgan choose one type of credit over the other?
  3. What are some advantages and disadvantages of each type of credit?
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#### **How to Build and Maintain Good Credit**

1. What is credit utilization, and why is it important?
2. How can Casey use their credit card responsibly to build credit?
3. Why is it important to review your credit report regularly?

## **Understanding Interest Rates and Fees**

1. What does the Annual Percentage Rate (APR) represent?
  2. How do interest rates affect the cost of carrying a balance on a credit card?
  3. What could James do to reduce the amount of interest he pays?
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## **Credit Card Terms and Conditions**

1. What does a 0% APR introductory period mean?
  2. Why is it important to read the terms and conditions of a credit card offer?
  3. What should Riley consider before applying for the credit card with a 0% APR?
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## **Borrowing and Repayment Agreements**

1. What happens if a borrower misses payments on a loan?
  2. What options does Quinn have if she is struggling to make loan payments?
  3. Why is it important to understand the repayment terms before borrowing money?
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## **Debt Management and Consolidation**

1. What is debt consolidation, and how does it work?
2. What are the potential benefits and drawbacks of consolidating debt?
3. How can Bobby determine if debt consolidation is the right choice for him?