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David Blyar, member since 1991, and his son, Esteban, now an enlisted Marine.

\$ HOW I DID IT

Helped My Son Establish Credit

David Blyar created a plan to help his son, Esteban, build a credit rating in just nine months.

AS TOLD TO KATHY SENA

My son, Esteban, began building a credit rating right after his 18th birthday.

After opening checking and savings accounts, Esteban applied for a secured credit card, which allowed his payment activity to be reported to all three main credit bureaus: Equifax, Experian and TransUnion. This reporting can help establish credit. The card we chose also offers rewards points and doesn't charge an annual fee.

Esteban keeps his balance well under his credit limit and uses his secured card much like a debit card. He doesn't wait to get his monthly bill. He checks his charges online frequently and pays the current amount due every weekend with an electronic transfer from his checking account.

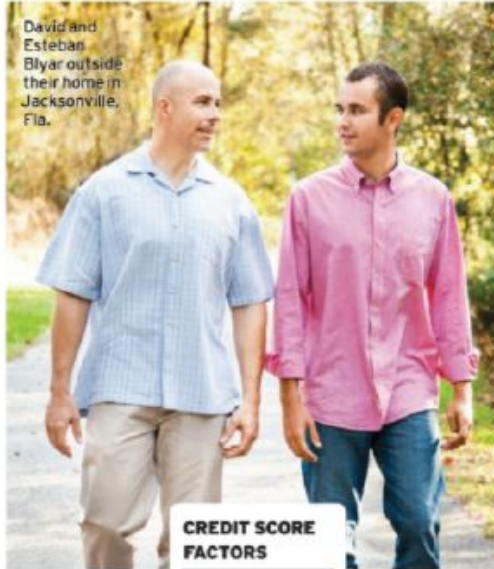
After he mastered the use of the secured card, ➡

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David and Esteban Blyar outside their home in Jacksonville, Fla.

CREDIT SCORE FACTORS

Esteban got a small secured loan from a credit union. These loans generally have a lower interest rate because the bank is taking a lower risk and can collect the collateral if you default on payments. He deposited \$400, which served as collateral. Then Esteban applied for a secured \$300 loan. He set up automatic payments from his savings account to pay off the loan over the next six months. The interest rate was 2.25 percent, just

- Payment history
- Amount of credit limit used
- Length of credit history
- Multiple new credit accounts
- Types of credit in use

pennies to help establish a good line of credit.

Nine months after Esteban turned 18, his credit score was 761, according to Equifax, whose scores range from

280 to 850, with higher scores indicating lower credit risk. Now 19, he has enlisted in the Marine Corps and plans to apply for a small auto loan for a used car when he completes boot camp in June. With the good credit he's established over the past year, I know my son will be successful. 📌

📌 To learn how a USAA secured credit card can help build or improve your credit score, visit usaa.com/securedcard.

15 PERCENT

USAA advises members to set aside this much of their gross income from each pay-check. Two-thirds of that sum could be invested, with the remainder added to savings. To create your own savings plan, visit usaa.com/moneymanager.

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