

What Is Bad Credit and Unsecured Credit Cards

Contributed by Webmaster

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Regardless if you have good credit or bad credit or even if you are rich or poor, there is a credit card on the marketplace for you. If you have bad credit then you will need to find a company that offers unsecured credit cards.

The secured credit cards are for families and individuals that have money, yet want a credit card to maintain their credit rates on the records. Spending money is not going to build their credit, therefore they will use the cards to build their credit line. Frequently these people will expend a couple of hundred each month and repay the charges off quickly. This is ludicrous since the repayments paid sooner than the date due will not build any credit lines. Rather, the cardholder must show good faith by paying the cards off on the due date.

If you have bad credit, then be aware that providers that offer unsecured credit cards may require a small deposit. The deposit is a security to the lenders that if you fail to make payments, they can use the deposit to meet the debt amount. If you apply for the card and are approved, most likely you will not receive a credit line above the depositing amount. In other words, your credit card may only provide you \$500 credit and if you exceed this amount you are at risk of losing your card.

Most unsecured credit cards offer low fixed interest rates and a credit line, starting at \$200 and up, depending on the card provider and the depositing amount. The providers may even offer additional benefits, including cash back or points per purchase made on the credit card. You will need to be very cautious while looking for an unsecured credit card.

The Pesky Sales People

Salespeople will often go out of their way to make a sell. At times, you may receive phone calls, emails, or letters in the mail with special offers on credit cards. The credit lines may range from \$200 up to \$10,000 regardless of your credit ratings. Most of the offers tell you to sign up now before the offer expires. **BE CAUTIOUS!** Most of these offers are slicks to lure you into a web of debt.

Also, watch out for the advertising slicks that send messages, claiming that you are approved for a Guaranteed Credit Card. Most likely, the slicks have a high-paying approval line of credit to offer.

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