

Survey: More Americans Know Their Credit Rating

(NAPSA)—More Americans know that their credit history affects the rate at which they can finance a new car or truck than can name the vice president of the United States, according to AWARE, a consumer education nonprofit specializing in auto finance education.


Public opinion survey data shows that nearly 80 percent of Americans know that their credit history affects the annual percentage rate (APR) for financing a new car or truck, while only 69 percent of Americans report they can identify Dick Cheney as the vice president of the United States.

“Americans may need to bone up on civics, but they understand that their credit track record impacts the APR at which they can finance a new car or truck,” said Eric Hoffman, spokesman for AWARE.

Besides a borrower’s credit history, a number of variables determine a borrower’s APR, including prevailing rates, the amount financed, the terms of the financing contract, the down payment amount, the vehicle make and model, competition, market conditions and special offers.

New To The Workforce?

“How you handle credit is a major component finance companies weigh when determining their risk of lending you money,”

Your diploma isn’t the only piece of paper that will follow you into the job market. 

said Hoffman. “For those new to the workforce, this means establishing a good credit record. Pay your bills on time and don’t spend more than you have because your diploma isn’t the only piece of paper that will follow you into the job market. For those who have had past credit problems, it means now is the time to take necessary action to repair your credit history.”

Impact Of Credit History

According to AWARE, several factors may be contributing to consumers’ knowledge of the impact their credit history has on an APR quote. “One possible explanation is the increase in higher-quality financial literacy efforts across the country,” said Hoffman. “Community-based organizations, financial services companies, and government agencies alike are encouraging people to focus on improving their credit, and to check it on a regular basis. This has been made even easier with the availability of free credit reports in recent years.

“Americans clearly get it. But there’s more work to be done on this front,” said Hoffman. “We applaud any education efforts that are working to get this important message out.”