

Student _____

Date _____

Class _____

Instructor _____

CHAPTER 26 How to Get and Keep Credit

Analytical Skills 1: The Five Cs

DIRECTIONS: Below is a table listing different types of borrower information a creditor might use to determine a person's credit worthiness. Place a check mark (✓) under which of the "five Cs" applies to each item of information. Some information might apply to more than one heading.

Borrower Information	Capacity	Character	Credit History	Capital	Collateral
Owens a boat				X	X
Has three months' salary saved				X	
Is an honor student		X			
Has been at the same job for five years	X				
Missed three car payments			X		
Owens a house				X	X
Is often absent from work		X			
Pays all bills on time			X		
Has stock in a major corporation				X	
Is currently unemployed	X				
Rides the bus, lives in an apartment				X	X
Has a valuable baseball card collection				X	X
Works part-time	X				
Pays phone bill early, but pays utility bills late			X		
Is prominent in local business		X			
Doesn't trust banks, but keeps \$20,000 under the mattress.				X	
Owens land, which is currently being developed				X	X
Recently laid off	X				
Is constantly getting fired		X			
Paid back home mortgage ahead of schedule			X		