

Audacious Faith

A CHRIST-CENTERED BUSINESS COMMUNITY FOR WOMEN

Fully Funded

How to Build \$100K in Business
Credit in 12 Months or Less



Fully Funded: How to Build \$100K in Business Credit in 12 Months or Less

The 5-3-2 Rule of Building Business Credit

You'll need at least five vendor lines of credit reporting on time payments, three revolving lines of credit (credit cards) reporting on-time payments and two paid loans.

FICO (300-850) measures personal credit scores and PAYDEX (1-100) measures business credit scores. It is best to build a PAYDEX score of 80+.

Step 1 - Credibility

- Business Name: Must use full legal name including DBAs and it must match the name exactly as listed on the corporation records
- Business Licenses: You must have proper licensing as required by your state
- Federal EIN: Employer Identification Number filing must match your state filing
- Physical Address: The business needs its own physical address, do not use a P.O. box, or UPS box and avoid your home address if possible



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- Separate Business Phone: Your business must have its own phone number that is a real business or VOIP number not a mobile or home phone
- 411 Directory: Business phone number must be listed with 411 and match
- Business Fax: You must have a business fax number
- Business Website: You will need a professional business website
- Professional Email: Not an AOL, or Gmail type of email
- Public Records: There can be no liens or judgments against the business

Step 2 - Business Credit Reports

- Get your DUNS Number from Dun & Bradstreet (D&B).
- Get access to your D&B, Experian and Equifax business credit reports.

Step 3 - Getting Approved for Vendor Credit

- Locate *5 vendors who offer Net 30-60-90* & also report to D&B and Experian.
- Apply for vendor credit with them *without supplying your SSN*.
- Use your newly approved credit to buy items from that vendor for \$50+.
- Pay your bills in a timely manner, preferably early.



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- Check your business credit reports to insure your new accounts are reporting.
- Establish three payment experiences.

Step 4 - Getting Approved for Store Credit

- Insure you have *five payment experiences* reporting to the business credit reporting agencies.
- Insure you have an established business credit profile and score with at least D&B and Experian.
- Apply for a store credit card. Complete the store credit business application and *leave your SSN* off of the application.
- Purchase their products using your newly established business credit accounts.
- Pay your bills in a timely manner, preferably early.
- Check your business credit reports to insure your new accounts are reporting.
- Always space-out your store credit applications *one to three months apart*.
- Establish a *total of 10 payment experiences*, including vendor and revolving credit.

Step 5- Getting Approved for Cash Credit



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- ❑ Insure you have *10 payment experiences reporting* to the business credit reporting agencies.
- ❑ Insure that at least one of your reported accounts has a *high limit of at least \$10,000*.
- ❑ Insure you have an established business credit profile and score with at least D&B and Experian.
- ❑ Apply for Cash Credit. Complete the cash credit business application and *leave your SSN* off of the application.
- ❑ Use your new credit to purchase wanted or needed items for your business.
- ❑ Pay your bills in a timely manner, preferably early.
- ❑ Check your business credit reports to insure your new accounts are reporting.

Use these strategies to apply for up to \$50,000 in business credit. Applications for credit over \$50,000 requires collateral and/or detailed financial statements.

Source: <https://www.maxscorecredit.com/wp-content/uploads/2015/12/MS-C-Business-Credit-Building-Checklist.pdf>



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