

# What To Look For In An Alternative Credit Lender



Sometimes we must depart the beaten path when seeking credit. Those considered credit-invisible, for example, can't always receive the services they need from traditional sources.



**About 20 percent of the U.S. populace is underbanked, with 14 percent credit-invisible.**

That's a significant number of Americans seeking lenders from alternative institutions.

**Here's what to look for and what to do:**

## No Credit Doesn't Mean Bad Credit

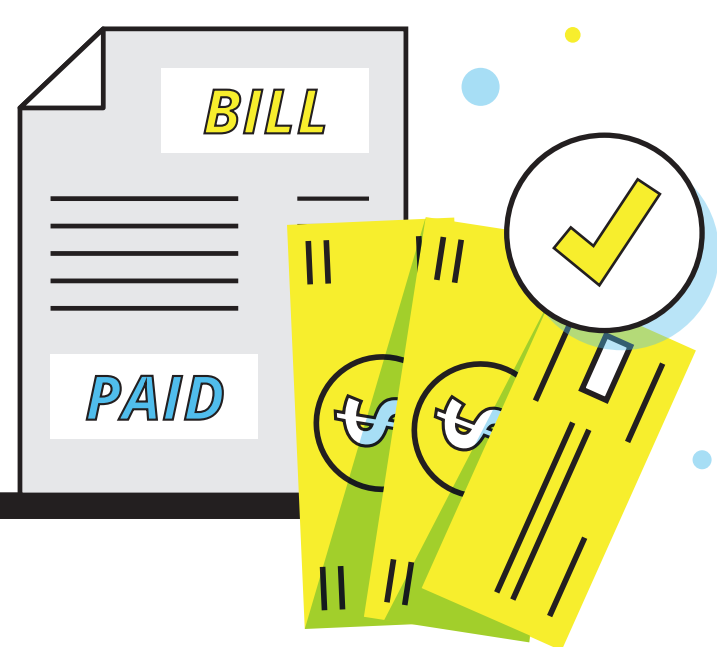
Even with favorable recent financial history, serious traditional debts on your credit report **aren't ever ignored.**

Before seeking alternative credit, make sure you've cleared up problematic loans or have made notable efforts to do so.



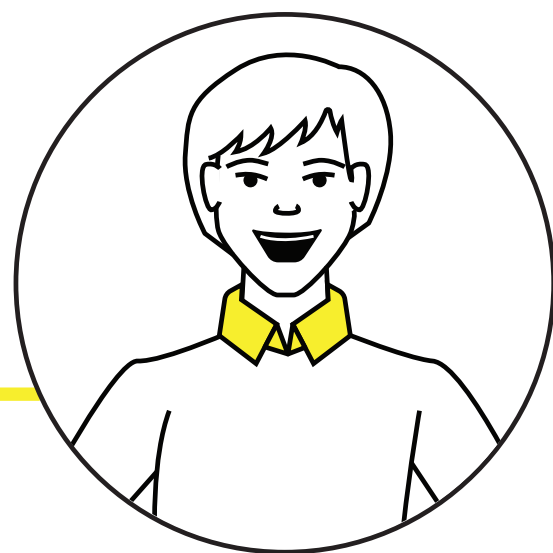
## Broad Acceptance

The FDIC considers the following payment records **alternative credit:**



- Rent.
  - Utility bills.
  - Child-care payments.
  - Insurance.
  - Rent-to-own agreements.
- among others.**

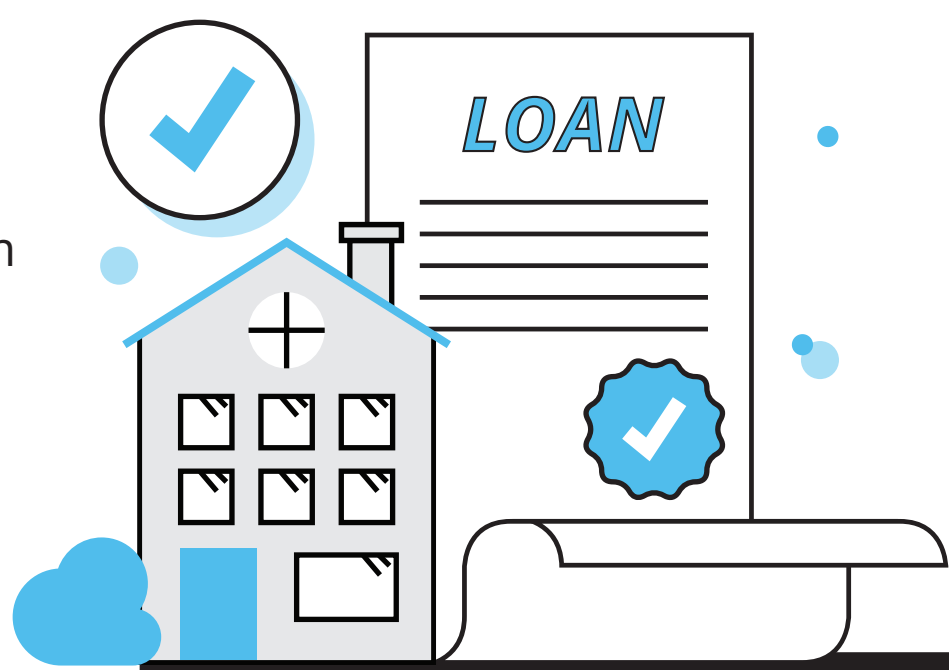
**Research local lenders and find those that accept the widest range of documentation.**



## Look For Some Outside Endorsement

"Alternative" shouldn't mean "questionable."  
Look for some **official endorsement.**

For example, the Federal Housing Authority sometimes backs loans from community-based alternative lenders. This is ideal if seeking home loans. Better Business Bureau accreditation also matters.



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Sources:

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