

## **30 FACTS AND STATISTICS ABOUT CREDIT AND DEBT**

Credit can help us get the things we need and want in life. But if we're not careful, it can also get us in trouble. Here are 30 facts and statistics about credit and debt that we should all pay attention to.

1. A 2009 study found that 72.2% of consumers had at least one credit card, down from 78.3% in 2008. <http://www.bostonfed.org/economic/ppdp/2011/ppdp1101.pdf>
2. The average credit card user has 3.7 cards. <http://www.bostonfed.org/economic/ppdp/2011/ppdp1101.pdf>
3. Cardholders under the age of 35 got their first card at an average age of 20.8. The average cardholder over the age of 65 got his first card at the age of 40.6. <http://www.bostonfed.org/economic/ppdp/2011/ppdp1101.pdf>
4. 33.1% of consumers used credit cards to pay bills in 2009, down from 57.6% in 2008. <http://www.bostonfed.org/economic/ppdp/2011/ppdp1101.pdf>
5. Usage of credit cards to pay for in-person purchases also dropped, from 64.4% in 2008 to 49.3% in 2009. Even usage of credit cards for online payments dropped from 30.8% in 2008 to 24.6% in 2009. <http://www.bostonfed.org/economic/ppdp/2011/ppdp1101.pdf>
6. In March 2010, the average household with credit card debt owed \$17,630 on their cards. By June 2012, the average had dropped to \$15,422. <http://www.nerdwallet.com/blog/credit-card-data/average-credit-card-debt-household/>
7. The average total debt for households with credit cards in 2009 was \$54,000. The average for all households was \$16,046. <http://www.creditcards.com/credit-card-news/credit-card-industry-facts-personal-debt-statistics-1276.php>
8. This drop in debt was due in part to an increase in charge-offs by credit card companies. The charge-off rate rose from 3.1% in the first quarter of 2006 to 10.9% in the second quarter of 2010. <http://www.nerdwallet.com/blog/credit-card-data/average-credit-card-debt-household/>
9. According to the Federal Reserve, consumers had a total of \$849.8 billion in outstanding debt on credit cards and other types of revolving credit in 2012. <http://www.federalreserve.gov/releases/g19/current/>
10. A 2009 study by *Consumer Reports* found that 13% of Americans carry a credit card balance of over \$10,000. <http://www.hoffmanbrinker.com/credit-card-debt-statistics.html>

11. Over 2 million American households carry over \$20,000 in credit card debt.  
<http://www.hoffmanbrinker.com/credit-card-debt-statistics.html>
12. In 2009, the state with the highest average credit card debt was Alaska with \$7,665. The state with the lowest average was Iowa with \$4,247.  
<http://www.hoffmanbrinker.com/credit-card-debt-statistics.html>
13. The interest rate on the average credit card in 2012 was 12.06%.  
<http://www.federalreserve.gov/releases/q19/current/>
14. 29% of households in low and middle income brackets report that medical expenses contribute to their credit card balances. <http://www.hoffmanbrinker.com/credit-card-debt-statistics.html>
15. According to the Federal Reserve, 40% of households spend more than they earn.  
<http://www.hoffmanbrinker.com/credit-card-debt-statistics.html>
16. According to a 2008 study by Sallie Mae, 84% of college undergraduates had at least one credit card. [http://static.mgnetwork.com/rtd/pdfs/20090830\\_iris.pdf](http://static.mgnetwork.com/rtd/pdfs/20090830_iris.pdf)
17. The study also found that the average college student has 4.6 cards.  
[http://static.mgnetwork.com/rtd/pdfs/20090830\\_iris.pdf](http://static.mgnetwork.com/rtd/pdfs/20090830_iris.pdf)
18. 39% of college freshmen arrive on campus with a credit card in their wallet.  
[http://static.mgnetwork.com/rtd/pdfs/20090830\\_iris.pdf](http://static.mgnetwork.com/rtd/pdfs/20090830_iris.pdf)
19. 92% of undergraduates with credit cards charge direct education expenses, and 30% charge tuition to their credit card. [http://static.mgnetwork.com/rtd/pdfs/20090830\\_iris.pdf](http://static.mgnetwork.com/rtd/pdfs/20090830_iris.pdf)
20. Just 17% of college students pay their credit card balances in full each month.  
[http://static.mgnetwork.com/rtd/pdfs/20090830\\_iris.pdf](http://static.mgnetwork.com/rtd/pdfs/20090830_iris.pdf)
21. The average college student graduates with \$4,100 in credit card debt, and nearly 20% of seniors carry a balance of \$7,000 or higher.  
[http://static.mgnetwork.com/rtd/pdfs/20090830\\_iris.pdf](http://static.mgnetwork.com/rtd/pdfs/20090830_iris.pdf)
22. In 2012, student loan debt amounted to over a trillion dollars, including \$850 billion in federal loans and \$150 billion in private loans. This was higher than any other type of consumer debt except for mortgage loans. <http://www.responsiblelending.org/state-of-lending/State-of-Lending-report-1.pdf>
23. Nearly a third of borrowers who have begun repaying their student loans are delinquent.  
<http://www.responsiblelending.org/state-of-lending/State-of-Lending-report-1.pdf>

24. One out of five Americans between the ages of 18 and 24 think of themselves as being in “debt hardship.” <http://www.consolidatedcredit.org/credit-card-debt/consumer-debt-facts/>
25. An estimated 12 million homes entered the foreclosure process between January 2007 and June 2012. <http://www.responsiblelending.org/state-of-lending/State-of-Lending-report-1.pdf>
26. Nevada leads the United States in foreclosures, with 19% of home loans originating between 2004 and 2008 having completed the foreclosure process. Vermont is the state with the lowest foreclosure rate, with 1.5% of homes purchased in the same time frame having completed foreclosure. <http://www.responsiblelending.org/state-of-lending/State-of-Lending-report-1.pdf>
27. In 2010, 12 million Americans took out payday loans.  
[http://www.pewstates.org/uploadedFiles/PCS\\_Assets/2012/Pew\\_Payday\\_Lending\\_Exec\\_Summary.pdf](http://www.pewstates.org/uploadedFiles/PCS_Assets/2012/Pew_Payday_Lending_Exec_Summary.pdf)
28. The average payday loan borrower is a white female between the ages of 25 and 44.  
[http://www.pewstates.org/uploadedFiles/PCS\\_Assets/2012/Pew\\_Payday\\_Lending\\_Exec\\_Summary.pdf](http://www.pewstates.org/uploadedFiles/PCS_Assets/2012/Pew_Payday_Lending_Exec_Summary.pdf)
29. The average payday loan borrower takes out eight loans per year, borrowing \$375 per loan, and pays \$520 in interest.  
[http://www.pewstates.org/uploadedFiles/PCS\\_Assets/2012/Pew\\_Payday\\_Lending\\_Exec\\_Summary.pdf](http://www.pewstates.org/uploadedFiles/PCS_Assets/2012/Pew_Payday_Lending_Exec_Summary.pdf)
30. Although payday loans are marketed as a solution for unexpected expenses, they are rarely used as such. 69% of first-time borrowers use the loan to cover living expenses such as rent, mortgage payments, utilities or groceries.  
[http://www.pewstates.org/uploadedFiles/PCS\\_Assets/2012/Pew\\_Payday\\_Lending\\_Exec\\_Summary.pdf](http://www.pewstates.org/uploadedFiles/PCS_Assets/2012/Pew_Payday_Lending_Exec_Summary.pdf)

Despite the bleak picture that some of these statistics paint, debt is not inherently bad. For most of us, any problems that arise can be attributed at least in part to poor management of our debts and finances. By keeping debt at manageable levels and paying it off as quickly as possible, we can minimize its costs and keep it from getting out of hand.



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