

BEGINNER GUIDE

**7 Easy steps
to travel FREE
this Summer**

@Dontcallitahobby

STEP 1:

Have a budget

You have to start SOMEWHERE and the first place I recommend is to start with a budget. Determine how much you spend each month (whether you use a cash system, debit card or cc). I use the Monarch app.

That's how much you will have to put on credit cards & start earning points. PLUS it will help determine which cards are right for you based on the spending requirements for sign up bonuses.

STEP 1: *Have a budget*

Obviously, you will need to figure out how much of your budget comes directly out of your bank account – like a mortgage payment, rent, or maybe your gas, water, and/or electric. There ARE programs that allow you to pay your mortgage/rent with a credit card (like BILT), but I haven't used them and haven't found it necessary/worthwhile.

Anything else, like groceries, gas, restaurants, entertainment, etc., can go on a credit card and earn you points (money).

STEP 2:

Check your Credit score

You don't need to have a perfect score, but you do need to know what your score is and why. The goal is to **IMPROVE** your score - regardless of where you're at. Experian is a **GREAT** tool for this. No need to pay for it. Just use the free version.

Your credit score **WILL** change, but don't let it scare you - it actually might go up! Payment history is **THE** most important factor. That's why it's so important to pay your statement balance each month **ON TIME**.



STEP 2: Check your Credit score

Other factors include:

- Debt Utilization - How much of your allotted credit is being used. If you have a card that allows \$6,000 and you put \$5,000 on that card, that will have an impact. Try to diversify if you put a lot on cards each month. Unless you're going for a sign up bonus!
- Length of Credit History - Age of your credit cards - always keep your oldest card or get one with no annual fee and KEEP it. You don't have to use it.
- Credit Mix - This typically refers to diversity of debt. Like a mix between credit, mortgage loan, car loan, school loan, etc., but this is one where multiple cards from different banks can actually help!
- New Credit/Inquiries - This is the only one that is really affected by my travel reward method, but it's such a low percentage of your overall score, it doesn't make a large impact!



STEP 3:

Find a card that's right for YOU

I use two tools for this:

1. The Travel Freely App
2. Nerd Wallet

There are a ton of other options, but these are the ones I've used. Based on your credit score and your goals, choose a card that makes the most sense.

Keep an eye on the sign up bonus requirements and annual fees, but don't let them stop if you. If you can hit the spending requirements without spending more than you normally would and the bonus/benefits offset the annual fee, then go for it!

STEP 3: *Find a card that's right for YOU*

My first card was a Capital One Venture card. It had a \$95 annual fee, but came with a 75,000 sign up bonus and paid for my TSA Pre-Check. I felt that the fee was worth the rewards.

My next move was a Chase card - Chase Sapphire Preferred card. I think the sign up bonus for it was 60,000 points, but it came with other benefits and Chase points are renowned as some of the most valuable.

For example, a Capital One point is essentially equal to 1 cent (USD). A Chase point is essentially equal to 1.25 cents.

So, if you book through the Chase portal or transfer to their partners, you're guaranteed to get more out of a Chase point than most other points.



STEP 4:

Apply for your first card

Some cards will offer “pre-approval” based on your credit score, but some will take a week or two to get back to you. Once you’re approved, see if you can get a virtual card & start moving all your monthly payments to your new credit card number.



STEP 4: *Apply for your first card*

This is critical because the faster you hit that sign up bonus requirement (cards often require between \$2,000 and \$6,000 in spend in the first 3 months), the faster you can move on to a new card/bonus. Just don't sign up for a card outside of your monthly budget - like if the spend goal is \$8,000 in 3 months, but your budget is normally \$5,000. That's just a recipe for disaster!

THAT said, if you have a large expense coming up (new AC unit, refrigerator, etc.), you can sometimes hit a spend requirement with just one purchase!



STEP 5:

Start tracking

Put your new card information into your Travel Freely app. This will help you keep track of when your spending requirement and/or annual fees are due. Plus it will tell you when you are ready for your next card. You'll also want to keep an eye on your credit score to see how this move has affected things (if it goes down slightly, don't worry - it will go back up!). And lastly, make sure your new cc app indicates when you've hit your sign up bonus!

STEP 5: *Start tracking*

This is where a lot of the strategy comes in. You want to keep track of when you signed up for your first card, whether or not you hit the bonus and when you're ready or eligible for the next card. You CAN sign up for too many cards too quickly and some banks don't like this (ahem...Chase). If your credit score is good enough, you can often call the bank and request that they reconsider if they have denied you, but I tend to just play it safe and only sign up for a new card when Travel Freely tells me I'm ready! You can also add other users in the app so if you're working with a spouse, family member, or friend, it will keep track of their eligibility too.

STEP 6:

Refer your card

If you have a spouse, significant other, family member or friend that you are working with, you can refer them to your card and get a referral bonus. Then they can work towards the same sign up bonus and you can combine points - working together to get double the rewards. If you're a solo traveler, you can still refer to friends and earn referral points or you can just go ahead and start on your next card/sign up bonus.



STEP 6: *Refer your card*

Here's the fun part:

You can combine points between cardholders! Sometimes this is done within your rewards portal, but often it requires a quick call to the bank. It sounds intimidating, but I promise it's not. Just give them a call and tell them you want to send X number of points to the account of choice and they'll do it. It's normally instant! It cannot be undone, though so make sure that's what you want to do before you do it.



STEP 7:

Repeat steps 3-6

You can repeat these steps until you've hit your goal. Or go ahead and use the points you've made (you should have about \$1400+ in travel rewards at this point - \$2400 if you're working with a partner) to go on a trip. As long as you stay within your budget and pay your card off each month, you're good to go!

APPENDIX

A few small additions for your travel rewards journey...

- Try to look for credit cards that have travel portals or transfer partners. You'll get the most out of these points. I recommend Chase or Capital One.
- Don't get fooled by large sign up bonuses. Sometimes those point values aren't as good as the point value on another card. Chase tends to have the most bang for your buck when it comes to points/dollar.
- Don't add an authorized user unless you have to. My husband and I just keep track of the card and swap it out depending on who needs it the most that day - plus most of our spending is online/digital anyway so it's rare that we need the physical cards.
- Your credit score CAN be affected by certain credit checks, too many cards, or too much new credit. It's not long term and is often offset by the benefits! PLUS the only way to counter new credit is to have old credit. If you don't have old credit, just find a card with no annual fee and KEEP it. You don't have to use it!

APPENDIX

- Eventually, you're going to want to close some accounts. It's fine to do this. Just be strategic! Close accounts you don't want before they've been open for significantly longer than one year. This will have the least impact on your credit score. And don't be intimidated, it just takes a quick call at most. I recently closed an account with the click of a button.
- If you own a business (on any level - even selling things on Poshmark or Facebook Marketplace) you can earn sign up bonuses from them as well. In fact, business cards are great because they don't affect your credit score like other cards.
- This method can be repeated again and again. If you have a dream vacation, honeymoon, or anniversary coming up, you can most likely pay for the entire trip with points - you just have to plan ahead. Especially, a honeymoon. Put those wedding expenses to good use.
- I've said it before, and I'll say it again: this is the closest thing to free money I've ever experienced! I hope my guide helps you enjoy the same rewards and benefits that I have. Now go make some memories!

travel timeline

3-6 MONTHS

1 MARCH	SIGN UP FOR CARD 1
1 JUNE	EARN SIGN UP BONUS
2 JUNE	BOOK VACATION OR WORK ON NEXT BONUS
2 SEPT	EARN SIGN UP BONUS 2
3 SEPT	BOOK VACATION OR WORK ON NEXT BONUS

Send me a DM with any questions!

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