Opening on money and the podcast intro

And so many people say, and I'm a Christian, so in that world, it's never about the money. Guess what? It is about money, if you don't have money you're going to be stuck in a situation like that.

If you can't pay your medical bills, there's so much, like money makes the world go round. Welcome to Take Back My Brain with Lori Hammer, where real healing starts in the brain.

I'm Lori, a functional nutritionist and mom who's walked the path from anxiety and burnout to clarity and calm. Each week, we're going to dive into brain-based tools like amino acid therapy, gut health, fasting and faith to help you reclaim your energy, emotions and sense of self.

Hey everyone, welcome back to the podcast. This is Take Back My Brain with Laura Hammer and today our guest is going to be really exciting. So we're going talk about money.

Hey, who doesn't want to talk money? So I'm really excited to have Laura Kabshire on.

Laura's origin story and credit repair beginnings

She's a nationally recognized credit strategist, business mentor and founder of Credit Dusters, which is a powerhouse company that helps people rebuild their credit, but more importantly, shift their mindset and create financial freedom with strategy and not shame.

Laura, welcome to the podcast. Thank you, Lori. I'm excited to be here and talking about one of my favorite subjects credit and also in terms of helping women.

So thanks for having me. Love it. And I know there's a ton of women on here like I need this help, right? We've talked about budgets and all those kinds of things before, but I love the fact that this is super geared towards women and you're really helping people to rebuild without shame.

That is such a challenge. So how did you get into this? What was your emotional? Did you have a rock bottom with your credit? Do you you a have rock-bottom with finances?

How did get to helping? You know, how do you to get credit dusters, I guess? Yeah, great question. So I actually kind of have like, I guess what you would call my origin story of how the business started, but it kind bleeds into my own personal journey too.

This has been way back probably 2006, 2007. And at the time my husband was in the mortgage industry and so it was during the housing boom and tons of business coming in.

We had this sweet couple that came in, Jeff and Andrea, and they were applying for a home loan. And it wasn't uncommon for people not to be approved. So we kind of did the same song and dance.

Hey, pay your bills on time. Come back in a year. We didn't think much more about it until Andrea came back a short time later. And she's like, look, guys, you don't understand.

Like you can't turn me away. My husband is dying. He has stage four cancer and he could go within months. His wish is to purchase a home. Nobody in his family's ever owned a whole.

Then he wants that for our children before he passes. And so we were kind of like, deer in headlights, like how can you say no to that? So my husband, of course, was like sure, we'll figure it out, right?

We started digging and the repair industry really didn't even exist hardly at that point. It was just brand new. So we started researching and digging.

experimenting and just trying different things. And four months later, they got approved for their home loan. So that was like super huge. Jeff ended up living almost another year.

He got to spend some time with his family there. That was the launching point of like, oh my gosh, this is something that could be truly life impactful for people.

I mean, that's kind of a dramatic situation, but there are people who are in similar situations. And so we started experimenting, but the truth was we were going through our own financial struggles and, you know, being in our.

He's even going into our thirties, raising a family. There was a lot of ups and downs and I didn't really even reach ahead until I ended up being around 37, 38 and found myself divorced, four kids, and they're looking to me like, what next?

And that was the moment where I realized, dang, I've been living in survival mode for more than a decade. And it's time to get serious about what do I actually want my future to look like?

Yeah, there's so many women out there that have been in that situation or are currently in the situation. And I've heard you say in some of your videos that credit issues are usually about money.

There's a mindset issue. There is a trauma. Like you just said, you're in survival mode.

Mindset, shame, and getting unstuck

What patterns do you see with women who are struggling with their credit that started in those seasons, whether it's overwhelmed, divorced, illness, chaos, trauma, whatever it might be?

Yeah, one of the main things that I see over and over that, I recognize because it's where I lived for so long is that your underlying beliefs is everything because if you don't believe your situation can improve and you believe that this is just what life is going to be like and I would say in some aspects, it is kind of like aggravated by certain belief systems too of just be grateful for where you are, bloom where your planted and So in a sense that can kind of feed into it as like, this is all there is and so just be happy with where you are and just settle.

And so that's something that I see over and over is just that mindset of where this was just all that is, and I can't really do any better. So I just need to just happy for where I am.

Right. Um, so yeah, that that something kind breaks my heart when I say it, because I'm like no, there's more. I like to talk to people more about like their mindset behind everything and how important that Yeah.

Well, let's do that. Let's talk about that shame, that fear, those lies that we say to ourselves like, you know, life and death is in the power of the tongue, right?

So saying, I'm just not good with money or I am stuck. This is just the way it is, sucking up buttercup kind of stuff. Like, how do you speak to those women who are struggling with that right now?

Yeah, a lot of it it's hard because when you're in the middle of a tough situation and there's all kinds of reasons for that, it might just be that you are dealing with ongoing illness or maybe you in a marriage that isn't super happy or you dealing all kind of things where life, you feel like life keeps just hammering you down.

So when your in in middle it is difficult to see past that. And so one thing that I hear myself commonly saying to people is like, You go through seasons and seasons come and go and you don't have to stay stuck in this one place forever.

So sometimes you are in phases where you're white-knuckling it and just getting through and that's okay. Life ebbs and flows, but you aren't always going to be in that place.

And at some point, you're going to reach the stage where you want to look past whatever trauma you are dealing with right now and see something better for yourself for the future.

And it's possible. It's not too late, no matter how old you. I love the fact that my kind of aha moment came in the early stages of middle age. So it wasn't like I can't be sad and be like, oh my gosh, I've wasted so many years of my life and I'm so far behind.

The truth is it was the perfect time for me and that can be the case for anyone. Yeah. Is it ever too late? I don't think so. I haven't found that to be the case.

A lot of people come in and say, like, is my case too far gone or is it too bad? Yeah, I'm like I've never seen a case that was too Far gone ever. And I Don't look at life that way.

It's really about your mindset. If you're at a place where you are ready for change and you ready to look ahead, then no matter where are, go for it. That's encouraging.

I'll be listening out there. It is never too late and your situation is not too bad. Let's talk some practicality now. What would be one of two or three first steps that you teach people to do?

Yeah, so great question. I think one of the first things that I always recommend is just opening your eyes and seeing the true picture. What's the reality?

It is scary. A lot of people are scared even just like, I don't want to look at my credit report. Like I haven't looked at it in years and I'm scared of what's going to be there.

Credit basics and what hurts your score

And it's easy to just put your head in the sand and kind of lalala your way through it. But a lot of times people are surprised when they actually see the true picture, especially if I'm going through a credit report with someone and I hear all the things that are hurting right now.

overwhelming. But a lot of times when I go through it, I'm like, yes, it's a little lot here maybe, but all of this is doable. And so just having that picture ahead of time is really great just to know where you're starting.

So, you know, pulling a copy of your credit report and you now seeing what's there. Then another thing would be identifying like what is actually hurting you right now.

Yes, you might have all these things on your credit report or things that you haven't dealt with, but a lot of people think that it's a lots worse than it really is.

And so just being able to identify what is the big thing that's actually hurting you is great. Then you have a starting point of where to start focusing.

Right. Well, let's back up a step. What exactly is a credit record report and why do we have one? So a credit report in a sense is like a report card of your finances.

So it gives a snapshot of how you use money and what your history is. It literally is a Report Card for you and that's what a Credit Score is and it shows lenders how trustworthy you are.

If you're trying to apply for a loan or some sort of financing, then they can look at that score to see, well, you can be trusted with that loan and whether or not they should approve you.

So a credit report is very, very important because it's really the key to unlocking, you know, whatever that you're trying to do financially, whether that's buying a house or purchasing a car, building a business, or whatever it is.

Everything that do borrow or do as far as lending goes, goes on the credit record and is a picture for lenders to see. Gotcha. It seems like there's so many things that can affect your credit report, whether you're opening a Kohl's charge card or you were getting an American Express to using Klarna or some of those other places.

Is there a specific kind of credit you should stay away from if you are doing credit? mentioned all of the ones that I would say to stay away from so and I think there's like several traps that people get into especially us as women we know sometimes we especially around the holidays we might be out shopping for Christmas presents and you you know you're at the cash register and they're like hey you Right.

And so that can be super tempting. But those types of credit, like store cards, for instance, when you're at Kohl's or Target or whatever, those can really be draining on your credit.

They're not high value cards. they tend to have extremely high interest rates. So if you are super disciplined and you will pay it off the next day, that's awesome, but it's still going to be a drag to your credits because the account itself is not quality.

So I always recommend stay away from store cards, stay from short-term loans like Klarna, Affirm. They've become very, very popular recently and it's real easy just to kind of tag that and be like, yeah, I'll pay that over time.

Problem is when you open a new account, it typically drops your scores initially for a New Account to report to your credit. It also drops you scores when pay the account off.

So if you're buying a car… It doesn't make sense. I know. There's like so many weird rules, but if your buying car for instance, you are going to have that drop in scores when you first apply and then again when close it out at the end.

But there's usually, 40 to 60 months in between that you building history so it makes it worth it. Whereas with short-term loans like Klarna and Affirm, they're usually only for a few months.

So you're getting a hit and another hit very close together. I always caution people to avoid using them if possible. Yeah, fair enough. Hey friend, just a quick break to remind you if calming your brain is the missing piece in your practice or in you home, my MindThrive certification course teaches you exactly how to do that with targeted amino acid therapy.

It's real science, real results, no band-aids. Enrollment is now open link is in the show notes.

Building credit the right way

So back to the shop. What about people who just don't want to use cards. They just want they want a pay cash for everything and they avoid avoid those things but then when they actually do need a loan they don t have any credit.

So what do you say to those people? And if you don't want to use your credit card, I mean, that's fine, right? But if your trying to get a loan for a house or something, then you're kind of stuck with those higher interest rates.

So, what would you do about that? Yeah. Dave Ramsey, for instance, is very popular in the market. And so that is a big mantra of don t use credit at all.

And the problem with that is that it does affect everything. It affects even your insurance rates. I mean, it affects everything, so- Oh, really? I didn't know that.

Yes. And I found out that from my insurance rep, and he was like, Laura, are you telling people this? And, I was,

like I, didn' even know. So, that was really good to know, he said, Oh yeah, we pull credit report and just check.

We do a soft pull on all of our members every year when they re- when their policy rolls over, and then their rates can go up and down depending on how they're scored.

I had no idea. Yeah. So credit is huge for lots of reasons. And if you don't use credit at all, then your scores, in a sense, you'll have what's called a thin profile, which just means there's not a lot of history to look at.

Your scores will either be low or you could even have a zero score, sounds really scary, but it just mean there is not enough to generate an actual score.

So you definitely want to have credit established and the fastest, easiest way to establish credit is to get a credit card. I do run across people from time to time who feel very strongly that they don't want use credit cards.

And I respect whatever people wish, but there are ways that you can use one in a way that really just protects you from overuse or misuse. So one hack that I like to tell people about is open a credit card.

If you can't qualify for a card outright, like if your credit's not high enough to qualify, you're going to get what's called a secured credit In fact, I'll give you a website that I would recommend.

I recommend this to everyone because they're a pretty solid company. Um, you can go to open sky CC. So O P E N S K Y C C.com, and you pay $200 for a secured card.

That $ 200 secures your credit line of $2. And then essentially you just borrow against it every month when you use it. Oh, so one thing you. When you open that card, If there's any like subscriptions that you use, like Netflix, Amazon Prime, whatever, something small, charge that to the card and just put it on autopay every month.

So it'll charge automatically and it will pay off automatically for your bank account. Put the cart in a drawer. You never have to use it. Think about it, just make sure every months that it gets paid.

And if you do that, you'll have a perfect payment history. That's an easy way to build scores. Okay, that's great. Can you just have that one secured card, the secured credit card and can that build up your score alone or do you have to do multiple things?

Yeah, you can. I mean, ideally you want to have two credit cards and one installment loan. So there's different resources you could do for that. Some people a lot of times if they're very finicky about having a credit card, I'll just start them out with one and then we'll build up to where when their scores are high enough then they can apply for like a capital one or something like that that's easy to get and they are not having to put a deposit down at that point.

You can go that route, it just takes a little bit longer. If you have more money upfront, you can apply for two secure credit cards because two is a kind of ideal.

And then an installment loan is very helpful. A lot of people have a car loan already. So if you do, that could count. Home loan will count, student loans will account.

If we don't have any of those, we can go with credit builder accounts. Most banks have them. There's a company that I recommend called Stealth Lender.

They're fabulous. You can get a loan for as little as $25 a month. It goes into a savings account. And so I love them because I'm like, it's encouraging people to save money and a portion of the credit.

So it was kind of a win-win. There's not really a whole lot of downside there. That's pretty cool. Yeah. What's your feeling on like consolidation loans and what I want to say, people have too many credit cards and then they negotiate that down.

I forget what it is called. Well, so you're talking about like debt management services? I have a lot of customers that I work with that are in debt management.

I do not recommend debt-management. Why is that? There's very rarely ever been a time that i do.

Debt management, strategy, and balanced money advice

So essentially what debt managment does is for people who are overwhelmed with their debt, so maybe they have like several credit cards, they're maxed out and they just don't have enough income to cover even the minimum payments.

So in situations like that, then debt management will come in and they will say, just stop paying everything. Let everything go to collections and then it'll charge off.

We'll wait about six months and we'll negotiate a settlement. So if you owe $10,000 on the credit card, eventually they'll settle it for maybe five or six thousand.

Sure. It discounts your debts dramatically, but the problem is it destroys your credit and the process. The other problem is that these companies, they don't go in and do good negotiations to protect your credit.

They just go and settle it for less, and then it reports that way on your credits. And now you have all of these accounts that are showing everyone, I didn't pay the full amount on these debts.

So it makes it very difficult to rebuild after that. For that reason, Essentially, you can do it yourself. If you're in a bad situation with some coaching, You can go through that process yourself, and if you have to pick and choose which ones to pay, then you could always let something go.

It's not ideal, but it's better than just letting everything go and then trying to rebuild later. Right. So do you work with people in helping them create a vision?

Do you create financial plan? What are your first steps when you start working with Yeah, so when I meet with someone, we always go over the credit report together and then work up a plan that's specific to them.

Everybody's goals are different. So some people are just like, I don't need anything. I just want to get out of debt. And if that is the case, that pretty fun for me because I love working up strategy.

We will look at their whole profile and see all the debts that they have and we will start prioritizing what to focus on. And then if there are situations that are more complicated, like I just mentioned, where they don't have enough money to cover everything, and we have to kind of strategically decide what gets paid and what doesn't, that's a little bit of a longer term process, but it can be done.

Some people are just trying to avoid major catastrophes, having to file bankruptcy or things like that. I'm trying avoid lawsuits. But whatever comes up along the way, we help guide them through it so that they know how to deal with those things and still improve their credit scores.

That's awesome. So you had mentioned Dave Ramsey before and things. How do you feel about those types of services or those type of teachers when it comes to money management?

I've been through Dave Ramsay's course twice, so I'm very familiar with it. And I think that it's really, really helpful, especially for, you know, like if young people are starting out or young families, I, think it is very impactful because it teaches them the skills that they need just to like budget wisely, to learn to say no to things at a time when it was probably crucial financially.

So I thinks those things are very helpful. I think when we run into issues with that type of teaching, especially business owners or people who are looking to grow and scale and invest and grow financially, then it becomes a

bigger issue because it's very difficult to do that with a cash-only thought process.

So I kind of take a balanced approach with it. We use some of the debt snowball principles in our coaching. So we're very familiar with that. I think there's a lot of good places for those to be used, but we are just a little bit more balanced that it's okay to have both.

especially for people who are responsible and looking to grow. Yeah, absolutely. When somebody is looking, to rebuild their credit, well, let's back up just a second.

So you've gone through a divorce, right? If you were going to speak to a woman who there might be a divorced on the horizon for them, What would be a couple things that you would say to them to get into order before that happens?

This is such an important question, and almost every week I have at least one phone call with someone in a situation, not necessarily if they've already been divorced, but even women who are saying things like, I'm with a partner who owns everything.

Like I am not on the house, I not in the cars. I don't even have my own checking account. There's so many women in this situation and they may not even be in a bad relationship.

It could even just be like, what if he gets sick or what is something tragic happens?

Preparing for divorce and financial independence

How do I find myself like alone and trying to navigate the financial world when I completely unprepared? So for that reason, I'm just that's all my soapbox a little bit of like every woman needs to be prepared not for something terrible to happen, but just because you never know.

It could even be that your partner needs your support at some point for some reason. Getting the credit in a good position so that you're ready is vital.

And it could just be as simple as, again, just pulling the Credit Report, see what it looks like now. Establish some credit lines so you have something in your own name.

It's okay to have your husband or your partner with owning things, but you need to own something too. So just having a credit card or two in your own name or a loan in own your name is very helpful so that you can stand on your two feet if you need to and just preparing especially for women who are facing divorce.

You know that's coming so like go ahead and start working on that now so you're prepared. you know, to be able to stand on your own. Right. And that doesn't make you a bad person.

It makes you smart. Exactly. Yes. Again, it doesn' matter what the reason is. it's heartbreaking because it is not just women who are facing divorce. I also have regular conversations with women in dangerous situations.

They feel like they can't leave and they cannot get out. because financially, what are they going to do? How are we going support their kids? Where are you going go?

So, I hate to see women feel stuck and where they can't get into a safe position if they need to. Yeah. And so many people say, and I'm a Christian and so in that world, it's never about the money.

Guess what? It is about money, if you don't have money you're going be stuck in a situation like that. If you can pay your medical bills, you There's so many if you don't have money like money makes the world go round and we have to and I'm speaking to myself when I say this because I've gone through very poor financial literacy and just afraid of money.

I love the fact that you're talking to women because i know so And I run a business and it wouldn't be till the end of the year that I would finally go through everything because I was afraid that wasn't doing well.

The first year I hit six figures, I had no idea, Laura, that… I didn't. I thought I totally failing and I did all the numbers and stuff and had I been tracking, I probably would have made better financial choices, right?

In that, because I'm like, where did all the money go? Because I didn't track it. Because, I just expected myself not to do well. And that we really do need to shift our mindset around that because money does, it affects every aspect of your life and you have to know how to use it, how do you spend it?

How to save it how they give it to how did you all of those things. I love that you mentioned that about your mindset, because I think it does really guide our decisions, even when we're not aware of it.

So just having that awareness is huge. Yeah. Well, let's talk a little about money mindset. Just rewarding yourself because you achieved a goal. I felt so guilty for that for years and years.

I'm like, no, I don't need to do that. No, celebrate your wins. It's going to cost you a little money, but that's okay. Put that aside and like this is what I want to go buy a new set of sheets.

Oh my gosh. Those kinds of things like hey, these are the sheets that I wanted. They're 300 bucks, they're like linen and whatever it might be. Money should be fun.

We've made it into, when I think about credit reports and the Dames Ramsey courses, all those kind of things, it can feel really daunting. It can be like trying to fix your credit, like the shame and the guilt and like, I just, suck at money.

Money mindset, planning ahead, and the blueprint offer

Yes. I hear that all the time. All of these negative things that we tell ourselves. And I, just want money to be fun. So I think what you're doing is great because you can help make money fun again for people.

Yes, because when you feel confident in what you're doing and you have a plan, that's one thing that I wish everyone could get the vision of is when look ahead towards next year, like we're getting ready to have new year soon, what do you want next to look like?

I mean, sometimes it's daunting to go ahead five years or 10 years. At some point, we should get to the place where we can, but if you are not there yet, just look at the next 12 months.

What do we want it to be like. The next three months, yeah. Yes. Anything. Yeah, being able to look ahead and then have confidence that I have a plan, it may not happen exactly like I wanted to, but there's still a planned in place and you can walk forward feeling confident.

And then money becomes super fun, like you said, because you could see those goals and they're within reach. Yeah. Which is exciting because then you don't feel like a total failure.

Oh my God. So if you were going to give people one small doable action today, what would you tell them to do? So I would say one thing, and this might be something that your listeners would enjoy, I have a blueprint that I actually use in my coaching.

Okay. And I'd love to give it to your listener as well. That would be great. I'll put that in the show notes. Yeah. So and I will give you my number and then if they just text me the word blueprint, we'll send it But this is the blueprint that we use with our customers and it walks them through where you are now and what that journey looks like to getting, it's called our 800 score blueprint.

So all the way up to 800 scores. Wow. I would say that would be a great first step of just seeing like we're

identifying, where are you in this blueprint plan?

And what are your next steps? Because it can be overwhelming when you're trying to figure all this out. That's what I hear every day. Every phone call almost is like, I just don't know what to do next.

Like this is so overwhelming. So being able to identify that is huge. And then of course, if anyone needs extra help with that beyond, then I'm certainly more than happy to jump on a call and help them identify.

Oh, love that. I love it. So we'll have all of that in the show notes, everyone. If you didn't catch all that, go to the Show Notes. Gosh, Laura, this has been fantastic.

Is there one last thing that you want to share with anybody? Lastly, I would just say that embrace the beauty of womanhood, being who you are and being free to dream bigger.

If I could shout that from the rooftops, I would, don't be afraid to dream bigger. Go beyond where you are now, what you can see now where, you feel like you're stuck and just start planning.

Just start looking ahead. What do you actually want? What are you wanting to achieve? Where do want to go and believe, start working on that belief system that you, can achieve it.

It is doable. just having the right blueprint to guide you there is everything. So. I love it. Awesome. Thank you so much, Laura. I appreciate you and all that you're doing.

And I know our listeners are going to love this as well. So, and thank you everyone for listening. Make sure you like, subscribe and share this because I that, you know, somebody who needs this video, who need to hear this information.

Thanks for listening to Take Back My Brain. If today's episode helped you connect with hope or direction, I want you to follow the show, leave us a review, and share it with someone who needs it.

Final encouragement and closing remarks

And if you're ready to start your own healing journey, explore our courses and our coaching programs at lorihammer.com backslash store. So until next time, remember, you cannot medicate away a nutrient deficiency, you