

# The “Credit Invisible” Dilemma

A credit score is an essential first step in accessing things like credit cards or financing for a car or a home. However, some Americans are deemed “credit invisible” due to non-existent, limited or dated credit histories. These “credit invisible” consumers are either forced to live on cash in a world now built on credit, or they are at the mercy of unscrupulous lenders. Those with a low score may pay higher financing rates or get their loan applications turned down altogether, but having a score to begin with means credit education can help them improve their credit behaviors and, over time, improve their credit scores and access to loans.



There are 30-35 million unscorable Americans – but the **vast majority of consumers and lenders underestimate the number**



Only **25%** of consumers surveyed correctly identified the number of credit invisibles



Just **22%** of lenders surveyed correctly picked the number of credit invisibles



More than **30 million** American consumers have been unable to get a credit score at one time in their lives. The primary causes are:

Lack of a credit history as a **young adult**



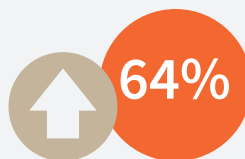
Avoidance of credit/**reliance on cash**



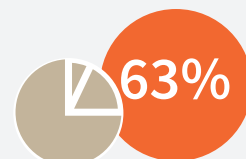
Lack of credit history upon **moving to the U.S.**



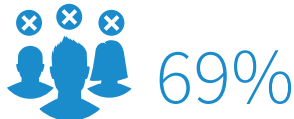
64% of lenders would like to have the **ability to lend to consumers with thinner credit files**



64% of lenders also believe **more Americans should have access to credit than they do today**



63% of lenders view unscorable consumers as an **opportunity to reach new market segments**



of consumers are concerned that **they or someone they know** will be unable to receive a credit score



of consumers say providing scores for more people would **improve the economy** by expanding access to credit



VantageScore 3.0 leverages improved data and analytical techniques to score an additional **30-35 million consumers** not typically scored by conventional models



**10 million** of these consumers score 600 or higher; i.e., near prime or above



**9.5 million Hispanic or African American consumers** are additionally scored, reducing exposure to predatory lending



**2.7 million** of these consumers score above 600