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# Equifax Details Benefits of Database-Supported Verifications within Subprime Auto Lending in Latest White Paper

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**What:** According to the latest *National Consumer Credit Trends Report* from Equifax, subprime auto loans account for approximately 32 percent of auto loans being approved today. As subprime auto lending continues to grow, most dealers and lenders still rely on traditional credit scores and customer-reported details to maintain the stability of their loan portfolios. However, these may not be the most accurate or comprehensive ways to assess borrowers' qualifications.



**Why:** Credit scores reflect only a portion of the full picture that affects applicants' credit-worthiness, and insufficient detail can result in the wrong terms or risk level being placed on deals, denying qualified applicants or inadvertently approving the wrong terms for excessively high-risk borrowers. In fact, some of the top reasons for contracts being returned to dealers are still:

- 1) A lack of verification of stated income;
- 2) Missing or inaccurate documentation to meet stipulations; and
- 3) A failure to meet approval terms and out-of-policy contracts.

**Who:** In its latest white paper, "Trust, But Verify: What Research Reveals about Subprime Vehicle Loan Performance when The Work Number® Data is Used," Equifax discusses how database-supported verifications provide lenders and dealers greater accuracy, accountability, transparency and detailed insight into borrowers' qualifications while also providing operational improvements. In addition, the white paper includes research illustrating the significance of verifications by analyzing the impact of income, employment tenure, pay frequency and employment disruptions on borrowers' credit-worthiness.

**Where:** To download the white paper, please visit: [http://www.equifax.com/assets/WFS/efx-ws-4104\\_trust\\_but\\_verify\\_wp.pdf](http://www.equifax.com/assets/WFS/efx-ws-4104_trust_but_verify_wp.pdf)

**When:** Equifax is available immediately for interviews.

## About Equifax, Inc.

Equifax is a global leader in consumer, commercial and workforce information solutions that provide businesses of all sizes and consumers with insight and information they can trust.

Equifax organizes and assimilates data on more than 600 million consumers and 81 million businesses worldwide. The company's significant investments in differentiated data, its expertise in advanced analytics to explore and develop new multi-source data solutions, and its leading-edge proprietary technology enable it to create and deliver unparalleled customized insights that enrich both the performance of businesses and the lives of consumers.

Headquartered in Atlanta, Equifax operates or has investments in 19 countries and is a member of Standard & Poor's (S&P) 500® Index. Its common stock is traded on the New York Stock Exchange (NYSE) under the symbol EFX. In 2013, Equifax was named a Bloomberg BusinessWeek Top 50 company, was #3 in Fortune's Most Admired list in its category, and was named to InfoWeek 500 as well as the FinTech 100. For more information, please visit [www.equifax.com](http://www.equifax.com).

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