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Equifax: Consumers to See Significant Update to Mortgage Decisioning Process with First Update to Tri-Merge Credit Report in 30 Years

Addition of up to two years of individual consumer debt repayment and balance patterns to be used as part of mortgage and credit granting decision processes

ATLANTA, Sept. 26, 2016 /PRNewswire/ -- Equifax Inc. (NYSE: EFX), a global information solutions provider, today announced that for the first time in 30 years the information that it provides lenders on traditional credit reports has been updated to include up to two years of debt repayment and balance history.



The change, effective Sept. 24, is part of an effort to help mortgage lenders and other credit grantors better understand an individual's creditworthiness. Now lenders can review up to two years of debt repayment and balance history.

When assessing a potential homeowner's credit report, mortgage lenders historically had access to an individual's total outstanding balance of credit, utilization and overall credit availability. The information did not offer details on whether payments serviced all or part of an individual's debt nor if patterns existed in the consumer's balance utilization. The update coincides with [research conducted by Fannie Mae](#) which demonstrated that, all else being equal, borrowers who paid off their credit card debt every month are 60 percent less likely to become delinquent than borrowers who make only the monthly minimum payment.

The inclusion of this trended credit data will provide mortgage lenders with a more comprehensive view of a borrower's debt management practices. The information will help lenders more accurately identify and potentially reward responsible credit behavior beyond just assessing an individual's credit score. In addition, the use of trended credit data can help to expand access to credit and to provide more borrowers an improved chance of qualifying for a mortgage.

"For nearly three decades, mortgage lenders have used the same static formula to determine whether or not someone receives a home loan," said Craig Crabtree, general manager of Equifax Mortgage Services. "Leveraging trended credit data to evaluate how borrowers actually manage and pay off their credit debt could have enormous potential in

terms of opening up credit and providing many Americans with access to mortgage loans that they previously may not have qualified for."

Over the last 10 years, Equifax has focused on utilizing the data it has on hand to support the sustainability of the financial marketplace, as well as the needs of creditworthy consumers. Consumer credit data is the most accurate way to assess a consumer's financial health and a useful tool in assessing current economic performance. Equifax is working to revolutionize consumer credit information to enhance its offerings in support of consumers and economies around the world.

For more information about this update to the tri-merge credit report and trended data, visit: www.equifax.com/smarterlending.

About Equifax

Equifax powers the financial future of individuals and organizations around the world. Using the combined strength of unique trusted data, technology and innovative analytics, Equifax has grown from a consumer credit company into a leading provider of insights and knowledge that helps its customers make informed decisions. The company organizes, assimilates and analyzes data on more than 800 million consumers and more than 88 million businesses worldwide, and its databases include employee data contributed from more than 5,000 employers.

Headquartered in Atlanta, Ga., Equifax operates or has investments in 24 countries in North America, Central and South America, Europe and the Asia-Pacific region. It is a member of Standard & Poor's (S&P) 500® Index, and its common stock is traded on the New York Stock Exchange (NYSE) under the symbol EFX. Equifax employs approximately 9,200 employees worldwide.

Some noteworthy achievements for the company include: Ranked 13 on the *American Banker FinTech* Forward list (2015); named a Top Technology Provider on the *FinTech* 100 list (2004-2015); named an *InformationWeek* Elite 100 Winner (2014-2015); named a Top Workplace by *Atlanta Journal Constitution* (2013-2015); named one of *Fortune's* World's Most Admired Companies (2011-2015); named one of *Forbes' World's* 100 Most Innovative Companies (2015). For more information, visit www.equifax.com

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