

VantageScore® 3.0

Improved predictive power raises the standard of performance



VantageScore® 3.0 provides lenders with a superior predictive credit risk score to make more effective and consistent risk-management decisions.

Make better lending decisions with VantageScore 3.0

VantageScore 3.0 is a highly predictive, consistent credit risk score that maintains its accuracy over extended time frames. Throughout the score's development process, the combined modeling strengths of the top three credit reporting companies (CRCs) were leveraged and patented modeling techniques were employed.

The result is a superior credit risk model that dramatically increases the number of scoreable consumers over a traditional model. It also captures both a broad and recent set of consumer behaviors to reduce the model's sensitivity to highly volatile behavior, and generates more consistent credit scores across all three CRCs.

Increased coverage

VantageScore 3.0 scores an additional 30 million previously "unscoreable" consumers. That's a whole new universe of potential customers for lenders. Other models exclude new entrants, as well as consumers with no recent activity or open accounts. VantageScore 3.0 leverages a new scorecard specific to thin credit file populations to increase the total scoreable credit universe.

Enhanced data elements

VantageScore 3.0 utilizes more granular data now available from the three CRCs, offering unparalleled predictive ability in evaluating a borrower's creditworthiness. The granular nature of the individual attributes in each scorecard allows for a closer alignment of scores across all three CRCs.

Familiar score ranges

- 781–850 Super prime
- 661–780 Prime
- 601–660 Nonprime
- 500–600 Subprime
- 300–499 Deep subprime

Strong performance across all industry segments

VantageScore 3.0 delivers strong and consistent risk prediction for a wide variety of portfolios. Figure 1 indicates how the model performs overall — specifically for mortgage, bankcard and auto lending industries.

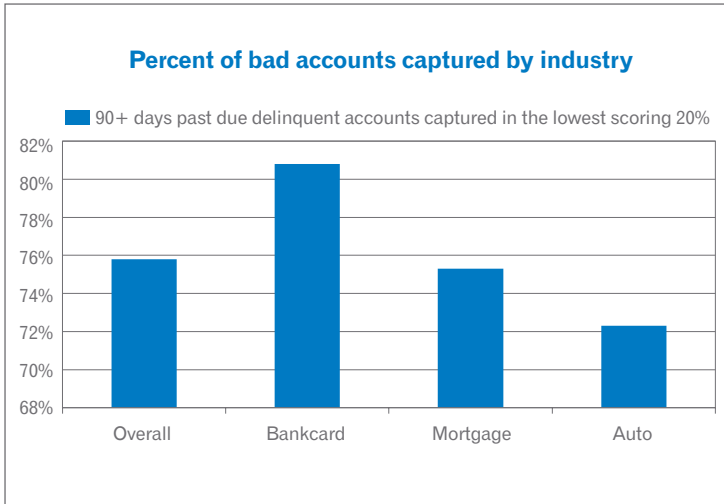


Figure 1

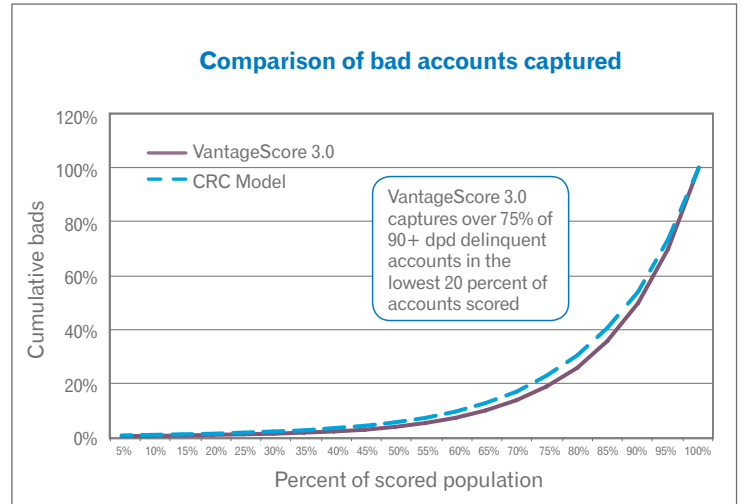


Figure 2

A consistent scoring model for both lenders and consumers

VantageScore 3.0 provides lenders with nearly identical risk assessments across all three CRCs and gives consumers a more consistent measurement of creditworthiness. How? The same VantageScore model is deployed at each of the three national CRCs. This patented one-model approach is achieved through a process called “characteristic leveling,” which establishes consistent definitions for consumer payment and behavioral data so it is interpreted the same way regardless of the source.

Features and benefits

- Provides significant lift in performance over traditional risk models for both new and existing accounts.
- Provides consistent and stable risk assessment of a consumer’s creditworthiness across multiple bureau platforms.
- Scores an additional 30 million consumers over traditional scores.
- Retains its predictive accuracy across an extended time frame.

- Developed on a sample of 45 million consumers from two blended time frames to reduce model sensitivity to highly volatile behavior that can be found in a single time frame, extending performance stability.
- Validated annually by the CRCs and VantageScore Solutions to ensure the model maintains its highly predictive capabilities. Additionally, VantageScore model validation results are publicly available.

To find out more about the VantageScore model, contact your local Experian sales representative or call 1 888 422 0105.