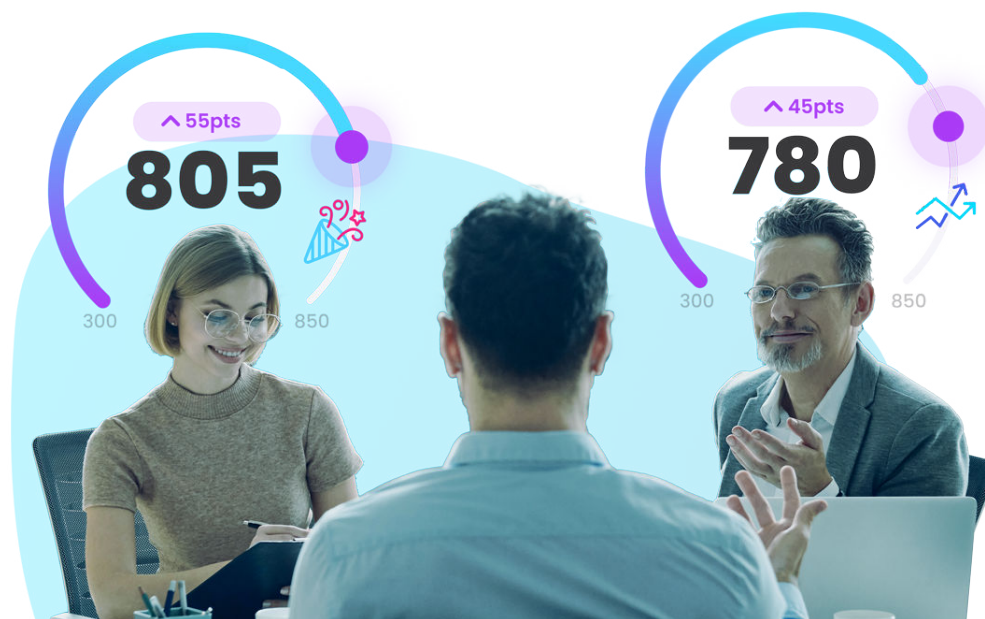


# The Modern Credit Challenge:

## Mortgage & Real Estate Professional Consumer Research



## Sharing What We Know

IDIQ, a financial intelligence company, spoke to 100-plus mortgage, real estate, and lending professionals, 200-plus prospective consumers and performed a study on more than 20,000 of our own consumers to better understand the current state of consumer credit health.

**Here are our findings – and our solution.**



**Contact Us At**  
**CreditBuilderIQ.com/partners**

# Poor financial and credit profiles are having a large negative impact on consumers.

More than 1 million consumers have been denied mortgages and more than \$1 billion has been paid in extra interest each year\*.

## Industry Data Points to Common Credit Health Issues

Consumers are struggling with their credit profiles, making it difficult to qualify for mortgages or ideal rates.



**25 Million+**

U.S. consumers have an inaccuracy on their credit report impacting their credit scores.

Source: Federal Trade Commission

**62 Million**

U.S. consumers have a thin credit file.

Source: Experian®

**50%+**

Increase in credit card delinquencies.

Source: New York Federal Reserve

**1 in 3**

People found inaccuracies on their credit report.

Source: Consumers Report



**35%**

Credit utilization rate last year -- higher than the ideal utilization rate of less than 30%.

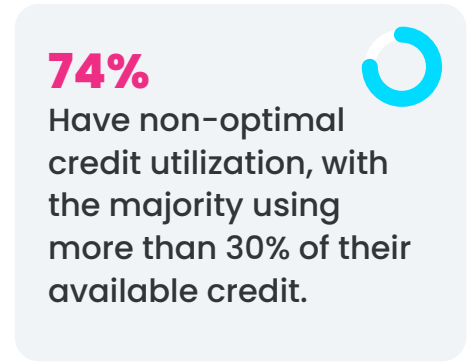
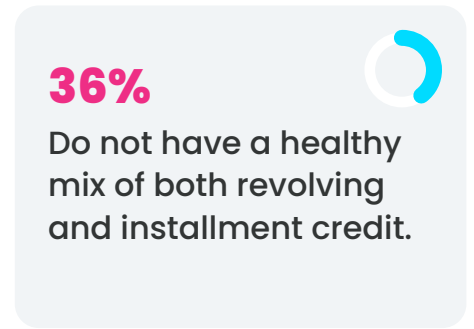
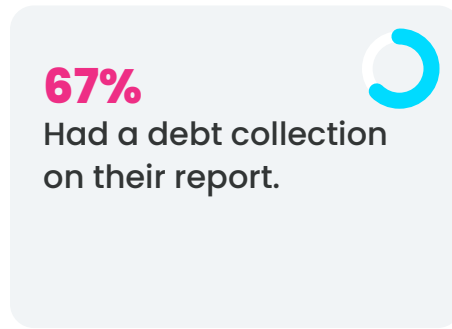
Source: FICO®

**The industry stats are clear – consumers need help with their credit and finances now more than ever.**

Let's take a closer look at consumer credit habits through the study of more than 20,000 consumers using IDIQ credit monitoring brands. Study participants had credit scores under 700 with many expressing interest in credit products. Our study found:

\*Source: HDMA Data, CFPB, LendingTree, MyFICO, and IDIQ analysis

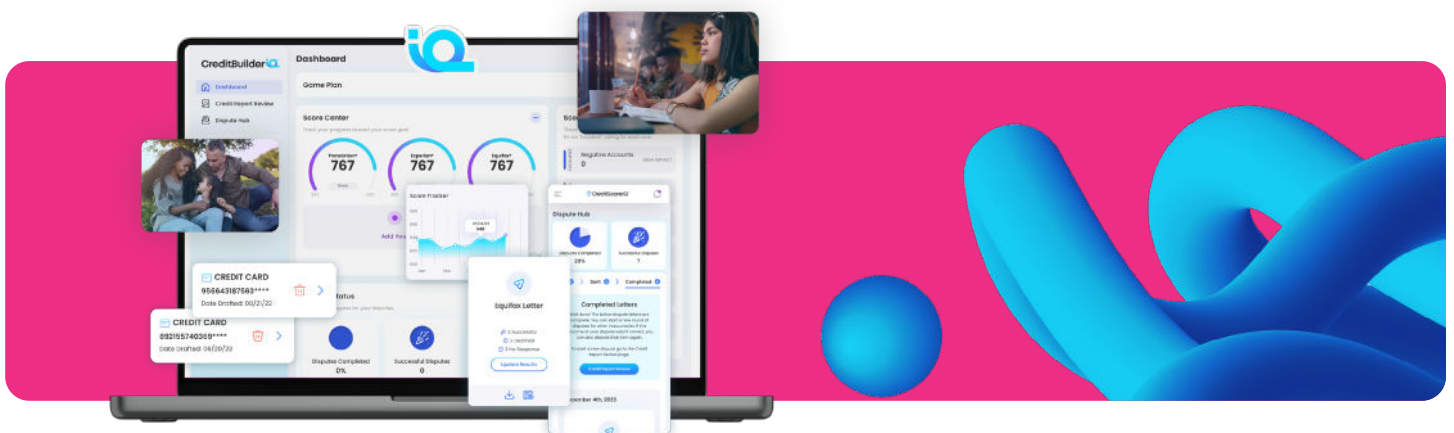




## Top 5 Credit Concerns from Consumers

Our survey revealed the biggest credit concerns among consumers include:

1. **Not knowing how to strengthen their credit**
2. **Catching up on late payments**
3. **Having inaccuracies on their credit report**
4. **Unknown inquiries**
5. **Lack of access to preferential financing**



**Most consumers are concerned and interested in understanding and bettering their credit profile, with a large portion also unsure if their profile accurately reflects their information.**

**82%**

of consumers said they were interested in learning more about how to improve their credit.



**68%**

of consumers are concerned about their personal credit.



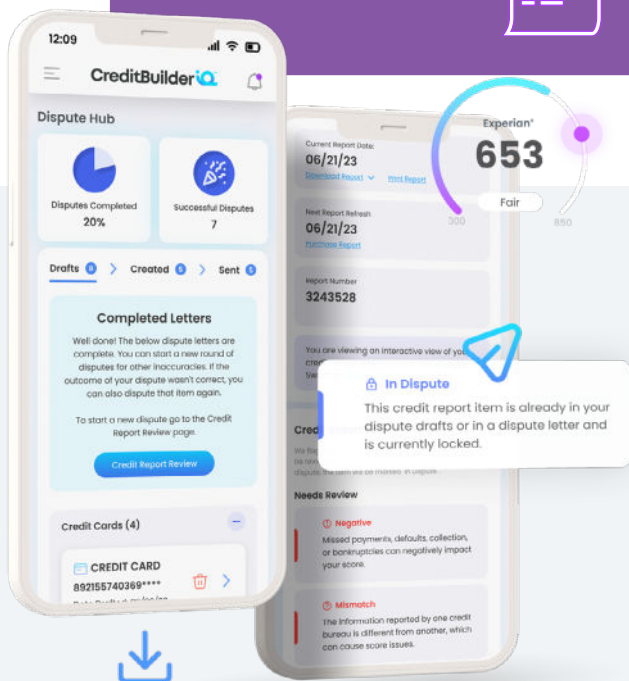
**61%**

of consumers believe their credit could be impacted by reporting inaccuracies.



**59%**

of consumers are planning to purchase a car or home in the next year.



**Strong credit is vital to financial success in today's world, and the data reveals that consumers need tools to understand and build their credit.**



# Insights from Mortgage, Real Estate, and Lending Professionals

IDIQ surveyed more than 100 mortgage and real estate professionals to gather their input on credit building as a part of the mortgage process. The survey data supported the need for essential credit building tools to help consumers reach their financial goals.

Our survey of mortgage, real estate, and lending professionals found:

**75%**

Refer their leads to DIY credit building solutions on at least a monthly basis.

**70%**

Expressed that the ability to track clients' credit is very important.

**50%**

Wish their credit building tools offered a consumer score plan and goal to improve scores.

**40%**

Note credit as a main reason for lead fall-out.

Credit is a main reason that leads fall out. Unfortunately, **more than 80%** of non-approved applicants don't apply again with the same lender.

Fortunately, most finance professionals want to address the issue. Yet, no one method stood out as a solution for credit building tools and lead nurturing.

Source: Fannie Mae





# How do mortgage and real estate professionals handle clients who fall out?



**44%**

Nurture through drip campaigns

**42%**

Refer to a debt management plan

**42%**

Give feedback

**39%**

Offer a secured card product

**38%**

Offer rental/utility/other credit building

**36%**

Utilize rapid rescoring

Source: IDIQ Partner Survey



# The IDIQ Difference

While credit profile strength is a common struggle, IDIQ credit monitoring plans have shown a positive impact:

**46**

Average score point increase for consumers who saw improvement with IDIQ credit monitoring plans.

**-1**

Average derogatory differential for IDIQ consumers with credit monitoring plans.

**59%**

Of consumers are willing to pay up to \$75 or more per month for services that would meaningfully strengthen their credit.

**Imagine if a tool existed with not just monitoring and insights – but a game plan and tools...**

**CreditBuilderIQ™**

Comprehensive credit monitoring and insights alone can go a long way in strengthening a consumers' credit. Imagine if a tool existed with not just monitoring and insights – but a game plan and tools for consumers to achieve their credit

goals. **That tool now exists with CreditBuilderIQ.** CreditBuilderIQ is IDIQ's newest brand – a digital credit management platform that gives consumers the tools they need to establish, manage, and build credit scores.

## How This Came About

We started out with a suite of winning identity and credit monitoring products.

We noticed consumers who were informed about their credit profile saw their credit improve.

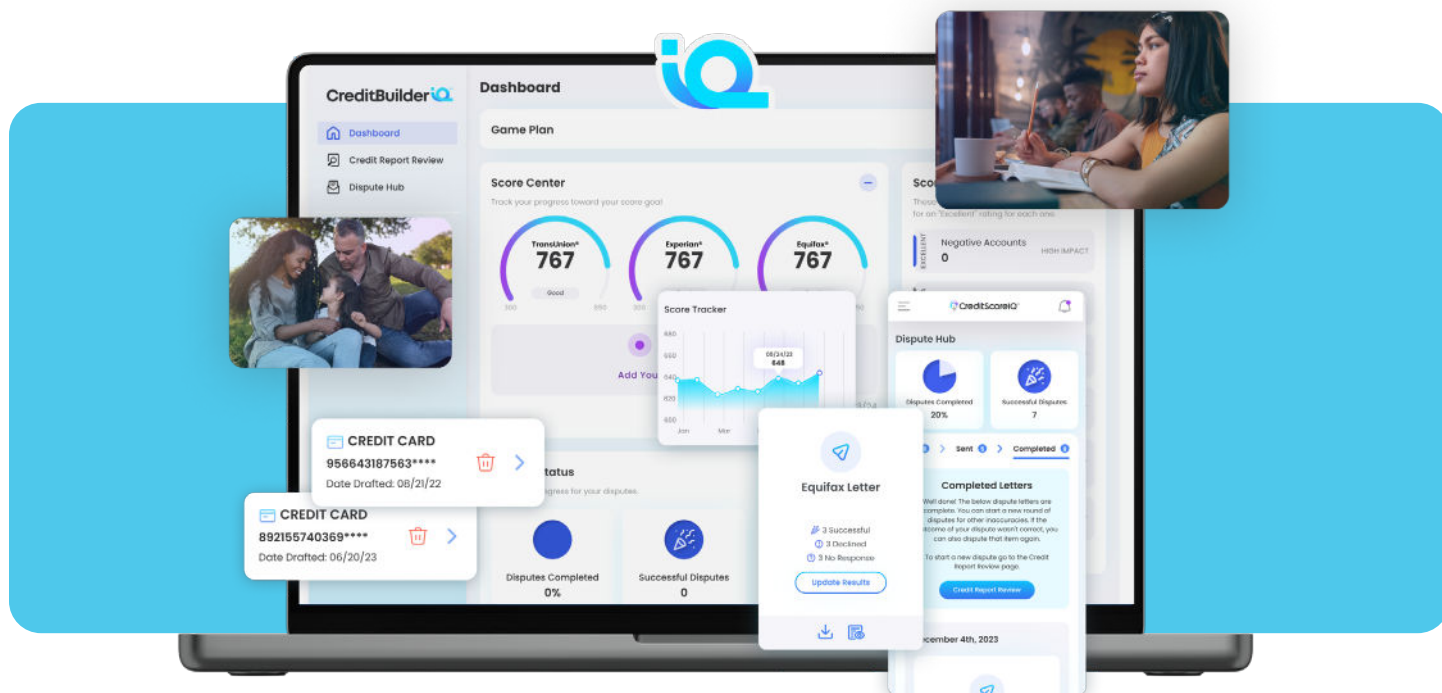
At the same time, consumers and partners asked if we would create a credit management-focused tool.

So, after speaking with hundreds of mortgage and real estate professionals as well as thousands of consumers, we built a solution.



# Ready to Transform Your Clients' Credit? Partner With Us.

Credit issues only mean “not yet,” not “no”.



**Partner-focused approach.** Get access to Partner Portal and Score Trigger Alerts to track client progress and ensure your clients stay satisfied.

**Most comprehensive and efficient consumer tool.** Consumers get access to 3-bureau reporting, game-plan, insights, action items, easy disputing, tradeline creation, and more.

**Partner with us to equip your clients with the most comprehensive credit-building tool on the market.**



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# About IDIQ

IDIQ is a **financial intelligence company** that guides action to protect and strengthen people's long-term financial health. We offer a suite of data-driven products for identity theft protection, credit monitoring, and financial wellness.

Partnership is in our DNA! We have proudly served not only more than **4 million members** but also thousands of business partners, empowering partners to offer their own clients innovative and life-changing tools.

