

Fair, Isaac Credit Bureau Risk Scores

INFORMATION PACKET



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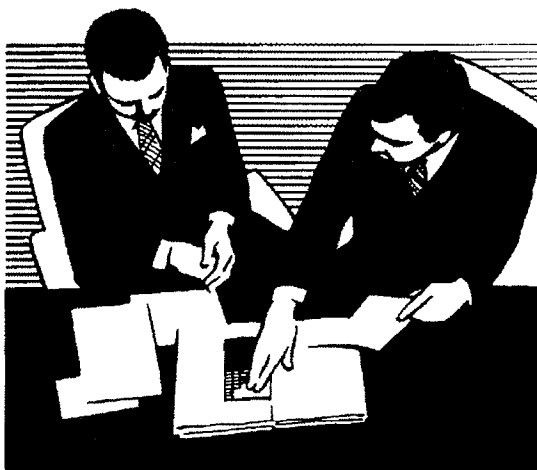
Introduction

Fair Isaac Credit Bureau Score

Credit Bureau Scores are one of the many elements that are reshaping today's mortgage industry. Credit scoring has been around since the 1950s, and Credit Bureau Scores—scores based solely on credit bureau data—became widely available in the 1980s. Today, Credit Bureau Scores are used extensively in such industries as bankcard and auto lending.

The purpose of this booklet is to provide information about credit scoring in mortgage lending. The information is provided in the form of answers to frequently asked questions by those new to credit scoring in mortgage lending.

For additional information about Fair, Isaac credit scoring materials and workshops see "How can I learn more about Credit Bureau Scores and credit scoring?" on p. 15 of this booklet or visit www.fairisaac.com. A form you may copy and fax to Fair, Isaac appears on p. 16.



What is a Credit Bureau Score, and how is it calculated?

Credit bureau scoring is a statistical means of assessing how likely a borrower is to pay back a loan. A Credit Bureau Score is based on the data available in the borrower's credit report. The score measures the relative degree of risk a potential borrower represents to the lender or investor. It is not a measure of a borrower's income, assets, or bank account, although those and other factors are still considered by lenders and investors, independent of the score. A Credit Bureau Score does not include any of the following in the score calculation as this would be discriminatory by FCRA guidelines: gender, race, age, or ZIP Code.

Fair, Isaac Credit Bureau Scores range from approximately 300 to 850 points, and are available through the three national credit data repositories (Equifax®, TransUnion, and Experian®). The scoring programs reside at these credit bureaus and are called:

BEACON®	at	EQUIFAX
FICO Classic 98	at	TRANS UNION
Experian/ Fair, Isaac Model	at	experian

This score is calculated at the repository, and is based solely on the data within that repository's individual credit file. Fair, Isaac is not able to access a borrower's credit data or calculate a score.

A Fair, Isaac Credit Bureau Score, sometimes referred to as a FICO® score, is calculated by a system of scorecards. In developing these scorecards, Fair, Isaac uses actual credit data on millions of consumers, and applies complex mathematical methods to perform extensive research into credit patterns that forecast credit performance. Through this process, Fair, Isaac identifies distinctive credit patterns. Each pattern corresponds to a likelihood that a consumer will make his or her loan payments as agreed in the future. The score is based on all the credit-related data in the credit bureau report—not just negative data such as missed mortgage payments or bankruptcies.

Although the FICO scores are helpful in predicting the likelihood of default, their main purpose is to predict loan delinquency. If loan default is the focus of your scoring objectives, you should investigate bankruptcy scores.

The types of credit information used in the credit bureau scorecards are typically the same items an underwriter would use to make a credit decision. These can include:

Payment history

- Public record and collection items
- Severity, recentness, and frequency of delinquencies noted in trade line section



Outstanding debt

- Number of balances recently reported
- Average balance across all trade lines
- Relationship between total balances and total credit limits on revolving trade lines

Credit history

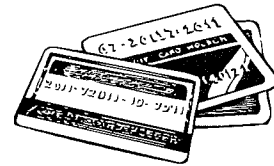
- Age of oldest trade line
- Number of new trade lines

Pursuit of new credit

- Number of inquiries and new account openings in the last year
- Amount of time since most recent inquiry

Types of credit in use

- Number of trade lines reported for each type:
 - Bankcard
 - Travel and Entertainment cards
 - Department store cards
 - Personal finance company references
 - Installment loans
 - Other



Fair, Isaac observes a very large number of credit report histories of mortgage borrowers to determine which credit report items or combination of items are the most predictive of future risk; this data indicates the amount each item contributes to an accurate assessment of credit risk.

Fair, Isaac Credit Bureau Scores do not use race, color, religion, national origin, sex, marital status, or age as predictive characteristics. Occupation and length of time in present residence are also not used in the Credit Bureau Score. Also, any information that is not present in a repository credit file is not used in creating a Credit Bureau Score.



Understanding the Fair Isaac Credit Bureau Score

What does a score mean?

A Fair, Isaac Credit Bureau Score is a means of rank-ordering potential borrowers based on the likelihood that they will pay their credit obligations as agreed. A higher score indicates better credit quality. If all other things are equal, borrowers with a score of 660, for example, are less likely to default on a loan than borrowers with a score of 650.

The Fair, Isaac Credit Bureau Score models at each credit repository are of similar design and the scores are scaled to indicate a similar level of risk across all three bureaus. In other words, a score of 680 at one bureau will represent the same relative risk as a score of 680 from another bureau. This risk is defined in terms of the number of accounts that remain in good standing compared to those that default.

Credit score ranges for new mortgage borrowers from a national sample

Score range	Number of good loans for each bad loan showing serious delinquency or foreclosure (# of goods to one bad)
below 600	8 to 1
700-719	123 to 1
above 800	1,292 to 1

While Credit Bureau Scores will consistently rank-order potential borrowers based on risk, the ratio of good loans to bad loans denoted by a score is likely to fluctuate due such factors as changes in the economy, regional differences, or changes in product offerings. A lender using credit scores will compare the performance of their loans by score over time to determine the relationship of score and performance for their own market environment.



Reason Factor Codes

Why did this credit file receive the score that it did?

To understand why a credit report scored the way it did, look at the four reason codes given with each score. These are the top reasons why it did not score higher, although other factors probably contributed. Mortgage brokers and lenders should receive these reasons along with the score when the score is obtained through a mortgage credit reporting company. A complete list of these score factor reasons accompanies this document (see **Appendixes**.)

These reason codes are either a number or letter followed by a brief description. For example a score of 563 may have the following factors:

- 02 – Delinquency on accounts
- 01 – Amount owed on accounts is too high
- 09 – Too many accounts opened in last 12 months
- 19 – Too few accounts currently paid as agreed

These score factor explanations can be relayed back to the borrower to explain how they can increase their score over time. Score factors are less meaningful for higher-scoring credit records as they merely point to the reasons why the file did not score even higher.



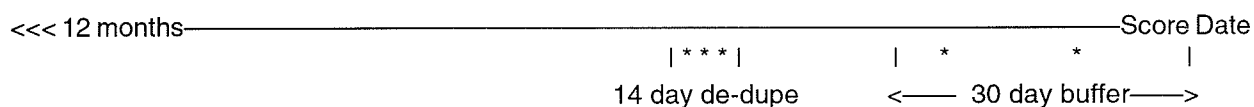
Inquiries Effect on Credit Bureau Score

The number of inquiries may or may not be a factor in the score, and when it is a factor, it is typically not a strong one. However, if a borrower is very close to the score threshold, and can show that there are one or more inquiries that are related to this particular loan process, and the number of inquiries appears as one of the four reason codes, then the lender may be able to make an exception for the borrower. It is up to the lender, as in all circumstances, to decide what is a sufficient risk.

Since the law requires a record of all inquiries into the file to be kept, inquiries can not be removed from the credit report. Inquiries that occur from a consumer requesting their own credit file are not used in determining the score. Inquiries that are incurred when lenders access consumer credit files in the process of pre-approved credit solicitations or for managing existing accounts are not used by the score.

Occasionally, a consumer in the market for a new loan may have their application presented to a number of lenders in a short period of time, resulting in multiple inquiries. This practice, known as "shot-gunning," is prevalent in the auto industry and results in a large number of recorded inquiries for a single application for new credit. Similar occurrences have been observed in the mortgage origination process. Fair, Isaac has taken this practice of "shot-gunning" into account when considering inquiries as a predictive factor. To minimize the impact of dealer "shot-gunning" as well as situations when the consumer or consumer's mortgage broker "shops" multiple lenders for credit, all auto and mortgage related inquiries that occur within a seven-day period have been treated as a single inquiry.

In the first half of 1998 all three national bureaus began to implement changes to the way inquiries are treated within the Fair, Isaac credit bureau risk models. Auto and mortgage related inquiries occurring over a 14-day period are treated as a single inquiry. In addition the credit bureau risk models use an "Inquiry Buffer." With the introduction of an inquiry buffer, all mortgage and auto related inquiries that occur within 30 days of the time of scoring are ignored.



- The credit bureau risk score models observe inquiries over a 12-month period. Auto and mortgage related inquiries that occur 30 days prior to scoring have no effect on the score. Outside this 30-day period, auto and mortgage related inquiries that occur within a 14-day period are treated as a single inquiry.

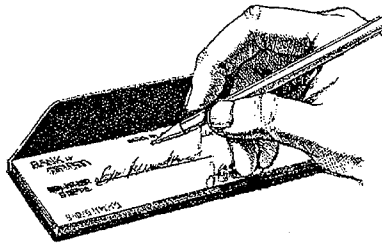


Increasing a Fair, Isaac Credit Bureau Score

How can a borrower increase his or her Fair, Isaac Credit Bureau score?

Over time a borrower can improve the information in his or her credit report by paying credit obligations on time and using credit wisely. As derogatory data in the credit report gets older, it has less influence on the score. A missed payment from four years ago will not count as much as a missed payment that is six months old.

A credit score, like a credit report, can be thought of as a snapshot of an individual's changing credit record. Scores from different repositories will be different because of the different date available in the consumer's file at each repository. If a request is made to obtain another report in order to get an updated score, then the score is likely to change for many reasons; however, it is not possible to limit how that score will change. The credit items on the report are updated often, so new items are likely to have been added since the previous report was generated. In addition, existing items will have aged. Repeatedly requesting a borrower's credit report may substantially increase the number of inquiries on the repository report, which may affect the score adversely.



What would happen if an applicant were to pay off balances and/or close some accounts?

It is not possible to ensure that scores would increase in this case. Such actions may upset the mix of available credit, and actually decrease the score. It is important to remember that the point of the scoring is not to calculate an up-to-date debt ratio – *the debt ratio is still considered by the lender independent of the score*. Therefore it is not critical that balances be completely up to date for the purpose of scoring. The score reflects data available on the credit report to assess the consumer's current payment patterns as well as payment history.



Consumer Disputed Information

Responding to derogatory credit information

Consumers who want to address what they believe is erroneous information on a mortgage report should contact the credit reporting agency which developed the report. The Fair Credit Reporting Act (FCRA) allows the credit reporting agency a "reasonable period of time," generally not to exceed 30 days, to reinvestigate consumer disputed items. A significant number of credit grantors use an automated system for investigating disputes and respond to the dispute within a few days. Most credit reporting agencies make a special effort to quickly resolve disputed information affecting a mortgage decision.

Consumers wishing to dispute items on their credit files with the credit repository can do so through the following numbers:

EQUIFAX	(800) 685-1111, www.equifax.com
experian	(888) 397-3742, www.experian.com
TRANS UNION	(800) 916-8800, www.transunion.com

The credit score is generated using the credit information at one of the three national credit repositories. Therefore, changes made solely to the mortgage credit report and not to the credit repository information will not affect the score.

It is the policy of many lenders and investors, including Freddie Mac and Fannie Maesm, that if gross inaccuracies appear on the credit file, erroneous information can be documented and the score disregarded. The applicant is not required to go through the procedure of changing the information at the credit repository for the purpose of altering the credit score in these cases.

If the derogatory information is removed, will the score increase?

Because the score uses all the credit-related data on the credit bureau report and takes into account compensating factors, removing or changing one specific derogatory item will not guarantee an increase in the Credit Bureau Score. In some cases a change in the credit bureau report would have little or no effect on the score. And because there are many scorecards using complex mathematical formulae at each of the repositories, it is not possible to estimate how much the score will change if specific derogatory information is removed from a single repository report.

Again, it should be stressed that erroneous derogatory information on a credit file can be documented to compensate against a low score. The lender can weigh all factors and documentation provided by the borrower and may choose to disregard the score. It is not required by most lenders and investors that an applicant go through the procedure of changing information at a credit repository for the purpose of altering a credit score when erroneous information is present.



Should the credit score be passed on to the borrower?

Because there are different types of scoring models on the market that have different scales, a score by itself has little meaning to the borrower. In addition, a lender can establish score cut-offs at any point along the score range; therefore, the interpretation of the score in terms of loan approval is relative to each lender's individual business strategy. Fair, Isaac supports the disclosure of scores to consumers within the context of a lending decision.

When a consumer is declined credit due to a low score, the score factor codes should be communicated to the consumer. Providing the score alone as the reason for declination does not provide the consumer with actionable information that can be used to increase their score over time, and is not in compliance with Regulation B of the ECOA.

Fair, Isaac also has a very comprehensive guide to understanding credit and credit scoring on its website: www.fairisaac.com. Additional printed booklets are also available from Fair, Isaac; see the form on page 16 of this document.

Why can't some files receive credit bureau scores?

In order to receive a Fair, Isaac score, a credit bureau file must contain at least one account that is older than six months, and at least one account that has been reported to the credit bureau within the past six months. Both conditions can be met by the same account, and a bureau file containing just one account can get a Fair, Isaac score. In addition to these credit conditions, the bureau file must not contain any indication that the consumer may be deceased.

If you are requesting a credit score on one or more credit repository files used to create a merged report or RMCR, and a score is not returned, you must verify that the credit conditions (e.g. at least one account that has been reported in the last six months and open longer than six months) have been met on the file generated by the scoring credit repository. Your mortgage credit reporting company, or the repository in question will be able to help you with this verification.



Effects of Using Credit Scoring

Doesn't using the score mean fewer people will get mortgage loans?

No, in fact, the opposite may be true. Credit Bureau Scoring is just one of several ways that lenders and the secondary market decide whether to lend someone money, and under what terms. Lenders or investors set the underwriting guidelines. The investor typically offers a mortgage product to the same number of borrowers irrespective of the use of scoring.

The lender uses the Credit Bureau Score to determine the acceptable level of risk for the product being offered. If the score on a borrower's credit report is too low for a given product, that does not mean the score is too low for other products. In the past we have seen that once lenders are able to accurately identify the credit risk of all applicants, they can create products designed and priced for various market segments, ultimately extending credit to more people.

If Credit Bureau Scores from more than one bureau are obtained on a mortgage credit report, which score should I use?

Each credit file at each repository is capable of being scored. If a mortgage credit report is created using files from all three repositories for a borrower, it is conceivable to have three separate credit scores. Freddie Mac has recommended that a lender rely on the middle score when working with three scores or the lowest score when using two scores. Some lenders or investors may require a credit score from a specific credit repository based on the perceived strength a repository may have in a geographic region.

Borrowers and co-borrowers will also have separate scores. When considering which score will be the basis of a credit decision, a typical and conservative approach is to use the lower of the two so that both the borrower and the co-borrower meet minimum credit criteria.



Are there other types of Credit Bureau Scores that can be used in the mortgage industry?

In an industry letter, Freddie Mac made reference to two types of credit scores that correlated strongly with mortgage performance. These were the "bureau scores" created by Fair, Isaac as well as the "bankruptcy scores" created by CCN-MDS. Both of these types of scores are available through the three national credit repositories.

Fannie Mae issued a similar industry letter which only referenced Fair, Isaac Credit Bureau Scores. Fair, Isaac is not able to comment on the specific details of the CCN-MDS bankruptcy scores; therefore, this material refers only to the Fair, Isaac Credit Bureau Scores.

How can I learn more about Credit Bureau Scores and credit scoring?

For more information about credit scores, visit Fair, Isaac at www.fairisaac.com. Fair Isaac's website provides a comprehensive guide to credit scoring that is useful to both consumers and lenders. It includes frequently asked questions about credit, facts and fallacies, a glossary of credit terms, how scoring helps both consumers and lenders, and more.

In addition Fair, Isaac offers quarterly workshops for new users of Credit Bureau Scores. These comprehensive two-day seminars are designed for new score users who seek education regarding credit bureau score development, integration of credit scoring into credit policy guidelines, strategies, and implementation, as well as the regulation of credit reporting practices. These seminars are designed to cover the use of credit bureau scores across a wide spectrum of lending industries including the mortgage industry.



Fair, Isaac Information

More Information from Fair, Isaac

To receive additional information about credit scoring, please complete and fax this form to the Fair, Isaac Credit Bureau Score Helpline at (415) 444-5037.

Name: _____

Title: _____

Company: _____

Address: _____

City: _____ State: _____ ZIP Code: _____

Phone #: _____ Fax #: _____

Please send me additional information on:

___ Credit Bureau Scores Seminars

___ *Understanding Your Credit Score* (booklet)

___ *Credit Bureau Scores in Mortgage Lending* (booklet)

Comments:



Appendixes



FICO Scoring System - Factor Codes

This chart lists the score factor reason codes and corresponding reason statement descriptions for Fair, Isaac broad-based credit bureau risk scores and associated Industry Option scores (Auto, Bankcard, Installment and Personal Finance) across the major credit bureaus. This chart may be used as a reference when taking adverse action or in customer service when responding to consumers' inquiries as to the reasons for declination.

All Bureaus Reason Statement	Unless other	Equifax (BEACON)	TransUnion (FICO Classic 98)	Experian (Alpha/Num) (FICOII)
Amount owed on accounts is too high	01	•	•	A/•
Level of Delinquency on accounts	02	•	•	B/•
Too few bank revolving accounts	03			C/•
Proportion of loan balances to loan amounts is too high	03	33	•	I/33
Too many bank or national revolving accounts	04	•		D/•
Lack of recent installment loan information	04	32	•	Y/32
Too many accounts with balances	05	•	•	E/•
Too many consumer finance company accounts	06	•	•	F/•
Account payment history is too new to rate	07	•	•	G/•
Too many inquires last 12 months	08	•	•	H/•
Too many accounts recently opened	09	•	•	J/•
Proportion of balance to credit limits is too high on bank revolving and other revolving accounts	10	•	•	K/•
Amount owed on revolving accounts is too high	11	•	•	L/•
Length of time revolving accts. have been established	12	•	•	M/•
Time since delinquency too recent or unknown	13	•	•	N/•
Length of time accts have been established	14	•	•	O/•
Lack of recent bank revolving information	15	•	•	P/•
Lack of recent revolving account information	16	•	•	Q/I
No recent non-mortgage balance information	17	•	•	R/•
Number of accounts with delinquency	18	•	•	S/•
Too few accounts currently paid as agreed	19	•	27	T •
Date of last inquiry too recent	19		•	
Time since derogatory public record or collection too short	20	•	•	V/•
Amount past due on accounts	21	•	•	W/I
Serious delinquency, derogatory public record or collection	22	*	*	X/*
Number of bank or national revolving accts with balances	23	•		/•
No recent revolving balances	24	•	•	U/I
Length of time installment loans have been established	25	I/O		I/O
Number of revolving accounts	26	I/O		I/O
Number of bank or other revolving accounts	26	I/O		I/O



FICO Scoring System - Factor Codes (Continued)

All Bureaus

Reason Statement	Unless other	Equifax (BEACON)	TransUnion (FICO Classic 98)	Experian (Alpha/num) (FICOII)
Too few accounts currently paid as agreed	27	19	•	T/•
Number of established accounts	28	•	•	I/O
No recent bankcard balances	29	•	•	•
Date of last inquiry too recent	29	•	19	•
Time since most recent account opening is too short	30	•	•	Z/•
Too few accounts with recent payment information	31	•	•	I/O
Amount owed on delinquent accounts	31	34	I/O	34
Lack of recent installment loan information	32	•	04	Y/•
Proportion of loan balances to loan amounts is too high	33	•	03	I/•
Amount owed on delinquent accounts	34	•	31	I/O
Payment due on accounts	36	•	•	45
Length of time open installment loans have been est.	36	•	•	I/O
Number of consumer finance company accounts established relative to length of consumer finance history	37	•	•	I/O
Serious delinquency and public record or collection filed	38	•	•	•
Serious delinquency	39	•	•	•
Derogatory public record or collection filed	40	•	•	•
Lack of recent auto loan information	97	•	I/O	98
Length of time consumer finance co. loans have been est.	98	•	•	•
Lack of recent auto loan information	98	•	97	•
Lack of recent auto finance loan information	98	I/O	•	•
Lack of recent consumer finance co. account information	99	I/O	I/O	I/O

Credit bureau risk score factor reason codes legend

- A • in the column indicates that the reason code and statement are assigned to that score.
- I/O in the column indicates that the code is only used in one or more Industry Options but is not currently used in the base model.
- A **number** in the column specifies the **code** associated with the reason statement for that score.
- A **blank** in the column indicates that the code is not presently delivered with that particular score.

Fair, Isaac has worked closely with the Federal Reserve Board and the Office of the Comptroller of the Currency in developing the statements associated with these score factor reason codes, but in any event we recommend that Fair, Isaac be consulted whenever changes to score factor code reason statements are made. If this is necessary, please contact Fair, Isaac's toll-free Credit Bureau Scores Helpline at 1-800-777-2066.

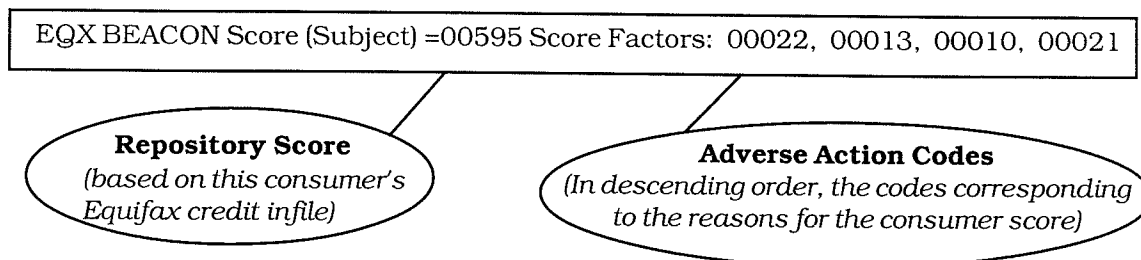
BEACON is a registered trademark of Equifax Credit Information Services, Inc.



Fair, Isaac Credit Bureau Risk Scores

Equifax BEACON

How the Equifax BEACON score appears on a First American CREDCO Instant Merge® report:



Equifax BEACON Adverse Action Codes

The Adverse Action Codes reflect the most significant characteristics contributing to the score a consumer's credit file receives when requesting BEACON. The Adverse Code is a number code that corresponds to the following narratives.

CODE Explanation

- 01 Amount owed on accounts is too high
- 02 Level of delinquency on accounts
- 03 Too few bank revolving accounts
- 04 Too many bank or national revolving accounts
- 05 Too many accounts with balances
- 06 Too many consumer finance company accounts
- 07 Account payment history is too new to rate
- 08 Too many inquiries over last 12 months
- 09 Too many accounts recently opened
- 10 Proportion of balances to credit limits is too high on bank revolving or other revolving accounts
- 11 Amount owed on revolving account is too high
- 12 Length of time revolving accounts have been established
- 13 Time since delinquency is too recent or unknown
- 14 Length of time accounts have been established
- 15 Lack of recent bank revolving information
- 16 Lack of recent revolving account information
- 17 No recent non-mortgage balance information
- 18 Number of accounts with delinquency
- 19 Too few accounts currently paid as agreed
- 20 Length of time since derogatory public record or collection is too short
- 21 Amount past due on accounts
- 22 Serious delinquency, derogatory public record or collection filed
- 23 Number of bank or national revolving accounts with balances
- 24 No recent revolving balances
- 28 Number of established accounts
- 30 Time since most recent account opening is too short
- 31 Too few accounts with recent payment information
- 32 Lack of recent installment loan information
- 33 Proportion of loan balances to loan amounts is too high
- 34 Amount owed on delinquent accounts
- 38 Serious delinquency, and derogatory public record or collection filed
- 39 Serious delinquency
- 40 Derogatory public record or collection filed

latest version of BEACON, released 4/98



List of Equifax BEACON Reject Messages

The Reject message is a one-byte alpha code that corresponds to the following narratives.

Narrative Table

A	BEACON NOT VALID FOR THIS SERVICE
B	BEACON NOT AVAILABLE, PLEASE CONTACT YOUR SALES REP
C	BEACON NOT AVAILABLE, PLEASE CONTACT YOUR SALES REP
G	BEACON IS TEMPORARILY UNAVAILABLE
H	BEACON IS TEMPORARILY UNAVAILABLE
I	BEACON NOT AVAILABLE, FILE CANNOT BE SCORED
J	BEACON NOT AVAILABLE, FILE UNDER REVIEW
L	BEACON NOT AVAILABLE, SUBJECT IS DECEASED
M	BEACON NOT AVAILABLE, NO QUALIFYING ACCOUNTS PRESENT
N	BEACON NOT AVAILABLE, INSUFFICIENT OR UNKNOWN ACCOUNT HISTORY
O	BEACON NOT AVAILABLE, NO RECENTLY REPORTED ACCOUNT INFORMATION
P	BEACON NOT AVAILABLE, NO QUALIFYING ACCOUNTS PRESENT
Q	BEACON NOT AVAILABLE, PLEASE ALERT YOUR BEACON REP

**For more information on Equifax products call
1-800-879-1025**

Equifax is a registered trademark, and BEACON is a registered trademark of Equifax, Inc.

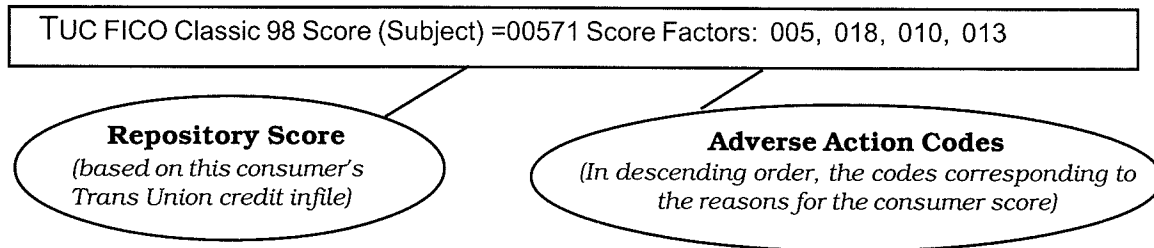


Fair, Isaac Credit Bureau Risk Scores

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TransUnion FICO Classic 98 (formerly EMPIRICA®)

How the TransUnion FICO Classic 98 score appears on a First American CREDCO Instant Merge report:



FICO Classic 98 Scoring Factors

CODE	Explanation
------	-------------

00	No adverse factor
01	Amount owed on accounts is too high
02	Level of delinquency on accounts
03	Proportion of loan balances to loan amounts is too high
04	Lack of recent installment loan information
05	Too many accounts with balances
06	Too many consumer finance company accounts
07	Account payment history is too new to rate
08	Too many inquiries over last 12 months
09	Too many accounts recently opened
10	Proportion of balances to credit limits is too high on bank revolving or other revolving accounts
11	Amount owed on revolving account is too high
12	Length of time revolving accounts have been established
13	Time since delinquency is too recent or unknown
14	Length of time accounts have been established
15	Lack of recent bank revolving information
16	Lack of recent revolving account information
17	No recent non-mortgage balance information
18	Number of accounts with delinquency
19	Date of last inquiry too recent
20	Length of time since derogatory public record or collection is too short
21	Amount past due on accounts
22	Serious delinquency, derogatory public record or collection filed
24	No recent revolving balances
26	Number of bank revolving or other revolving accounts
27	Too few accounts currently paid as agreed
28	Number of established accounts
29	No recent bankcard balances
30	Time since most recent account opening is too short
31	Amount owed on delinquent accounts
36	Payments due on accounts
38	Serious delinquency, and public record or collection filed
39	Serious delinquency
40	Derogatory public record or collection filed
41	No recent retail balances
42	Length of time since most recent consumer finance company account established
50	Lack of recent retail account information
56	Amount owed on retail accounts



FICO Classic 98 Message Codes

FICO Classic 98 ALERT message occurs when a credit file scored by FICO Classic 98 contains one or more of the following: previous bankruptcy, derogatory public record, collection activity or an MOP 7 or higher.

FICO Classic 98 NOT SCORED: DECEASED message occurs when the subject's Social Security Number matches the Social Security Administration's deceased Social Security Number file.

FICO Classic 98 NOT SCORED: INSUFFICIENT CREDIT message occurs when the subject's credit file contains only new tradelines, or when the subject's credit file contains only tradelines that have not been updated within the last six months

**For more information on TransUnion products call
1-800-916-8800**

Experian/Fair, Isaac Model

How the Experian/Fair, Isaac Model score appears on a First American CREDCO Instant Merge report:

XPN Fair Isaac Score (Subject) = 0522 Score Factors: X, S, N, K

Repository Score
(based on this applicant's
Experian credit infile)

Score Factor Codes
(In descending order, the codes correspond-
ing to the reasons for the applicant score)

Glossary of Experian/Fair, Isaac Risk Model Score Factor Codes

(Auto Loan, Bank Card Loan, Installment Loan, and Personal Finance Options Included)

Numerical Alpha

Factor	Factor	Definition
01.....	A.....	Current balances on accounts
02.....	B.....	Delinquency reported on accounts
03.....	C.....	Too few bank revolving accounts
04.....	D.....	Too many bank revolving accounts
05.....	E.....	Number of accounts with balances
06.....	F.....	Number of finance company accounts
07.....	G.....	Unable to evaluate recent payment history
08.....	H.....	Number of recent inquiries
09.....	J.....	Number of accounts opened within the last twelve months
10.....	K.....	Proportion of balance to high credit on bank revolving or all revolving accounts
11.....	L.....	Current balances on revolving accounts
12.....	M.....	Length of revolving account history
13.....	N.....	Length of time (or unknown time) since account delinquent
14.....	O.....	Length of time accounts have been established
15.....	P.....	Insufficient or lack of bank revolving account information
16.....	Q.....	Insufficient or lack of revolving account information
17.....	R.....	No recent (non-mortgage) account balance information
18.....	S.....	Number of accounts delinquent
19.....	T.....	Too few accounts rated "current"
20.....	V.....	Length of time since legal item filed or collection item reported
21.....	W.....	Amount past due on accounts
22.....	X.....	Serious delinquency, derogatory public record or collection filed
24.....	U.....	Lack of recently reported balances on revolving/open accounts
25.....	*.....	Length of installment loan history
26.....	*.....	Number of revolving accounts
28.....	*.....	Number of accounts established
30.....	Z.....	Length of time since most recent account established
31.....	*.....	Too few accounts with recent payment information
32.....	Y.....	No recent installment loan information
33.....	I.....	Proportion of current loan balance to original loan amount
36.....	*.....	Length of time open installment loans have been established
37.....	*.....	Number of finance company accounts established relative to length of finance history
38.....		Serious delinquency, and public record or collection filed
39.....		Serious delinquency
40.....		Derogatory public record or collection filed
98.....	*.....	Lack of recent information on auto loan, or lack of auto loans
99.....	*.....	Lack of recent information on finance accounts, or lack of finance accounts



Experian Exclusion Messages - FICO II

When a score does not appear on the Experian credit profile report for a particular consumer account, an exclusion message is generated as shown below.

CPU Code	Message	Description
9000	EXPERIAN'S FICO II SCORE NOT AVAILABLE DUE TO SYSTEM FILE PARAMETERS	The Profile report contains more than 100 subscriber tradeline and inquiry transactions.
9001	EXPERIAN'S FICO II SCORE NOT AVAILABLE DUE TO REPORT OF "DECEASED" STATUS	The Profile report contains a subscriber transaction with a status code of '21' or an association code of 'X' indicating the consumer is deceased.
9002	EXPERIAN'S FICO II SCORE NOT AVAILABLE DUE TO MODEL EXCLUSION CRITERIA	<p>The Profile report does not contain any tradeline which satisfied both of the following:</p> <ul style="list-style-type: none"> • Status date within the last six (6) months OR a balance within the last six (6) months if the status code is not '11' (curr. acct.) • Does not contain disputed information.
9003	EXPERIAN'S FICO II SCORE NOT AVAILABLE DUE TO LACK OF CREDIT HISTORY	The Profile report does not contain any tradelines which have been open for at least six (6) months.

**For more information on Experian products call
1-800-854-7201**

