

Differences between the NTN DecisionPoint "Applicant Score" and Equifax's FICO Score or "Beacon Score"

The Fair Isaac (FICO) score is an indicator of credit-worthiness. The FICO score is designed to predict the possibility of borrowers becoming seriously delinquent in their credit obligations. Banks and credit card companies often use FICO scores to determine credit limits and interest rates.

The NTN DecisionPoint report in its entirety evaluates the rental applicant as a potential resident. The NTN focus is on the rental risk the applicant creates - both in bill payment and performance (eviction, lease violation, etc.). The Applicant Score is derived from data on the applicants Tenant Performance and retail credit reports such as trade lines, collection accounts, judgments, open/closed - paid/unpaid account status, etc. The Applicant Score is designed to be an indicator of predictability regarding the applicant as a potential tenant.

NTN's treatment of credit items (good and bad) is different than Fair Isaac's since the objective of the scores are different.

Equifax Credit Score

Equifax contracted years ago with the Fair Isaacs Company to provide a derivation of the FICO score to use in credit scoring; Equifax branded and marketed this term as a "Beacon score." The FICO score is calculated based on the latest "snapshot" of information contained in the applicants file at the time the score is requested. If you were to order a credit score from each of the three major credit bureaus, each score produced may be different at each of the bureaus as the FICO score only considers the data in its credit file from that bureau. Also keep in mind that there is a different FICO formula for each credit bureau.

FICO scores range from 300 to 850, with any score under 620 considered high risk, often called "subprime". The higher the score, the lower the risk. The exact formula of the FICO and other scoring models is considered a trade secret; including the NTN DecisionPoint scoring model.

NTN DecisionPoint Applicant Score

In the Analysis Results section of the NTN DecisionPoint Plus report, a subscriber will be presented with an Applicant Score. This Applicant Score ranges from a low of 0 to a high of 100. The Applicant Score considers both positive and negative data that is on an applicants credit and tenant performance reports.

The Applicant Score on the DecisionPoint report is not affected by the Rent to Income Multiple, Time at Residence or Time at Employment fields, as they are each independent of one another. The Applicant Score is derived from data processed from the applicant's retail credit report and the applicants NTN Tenant Performance profile.