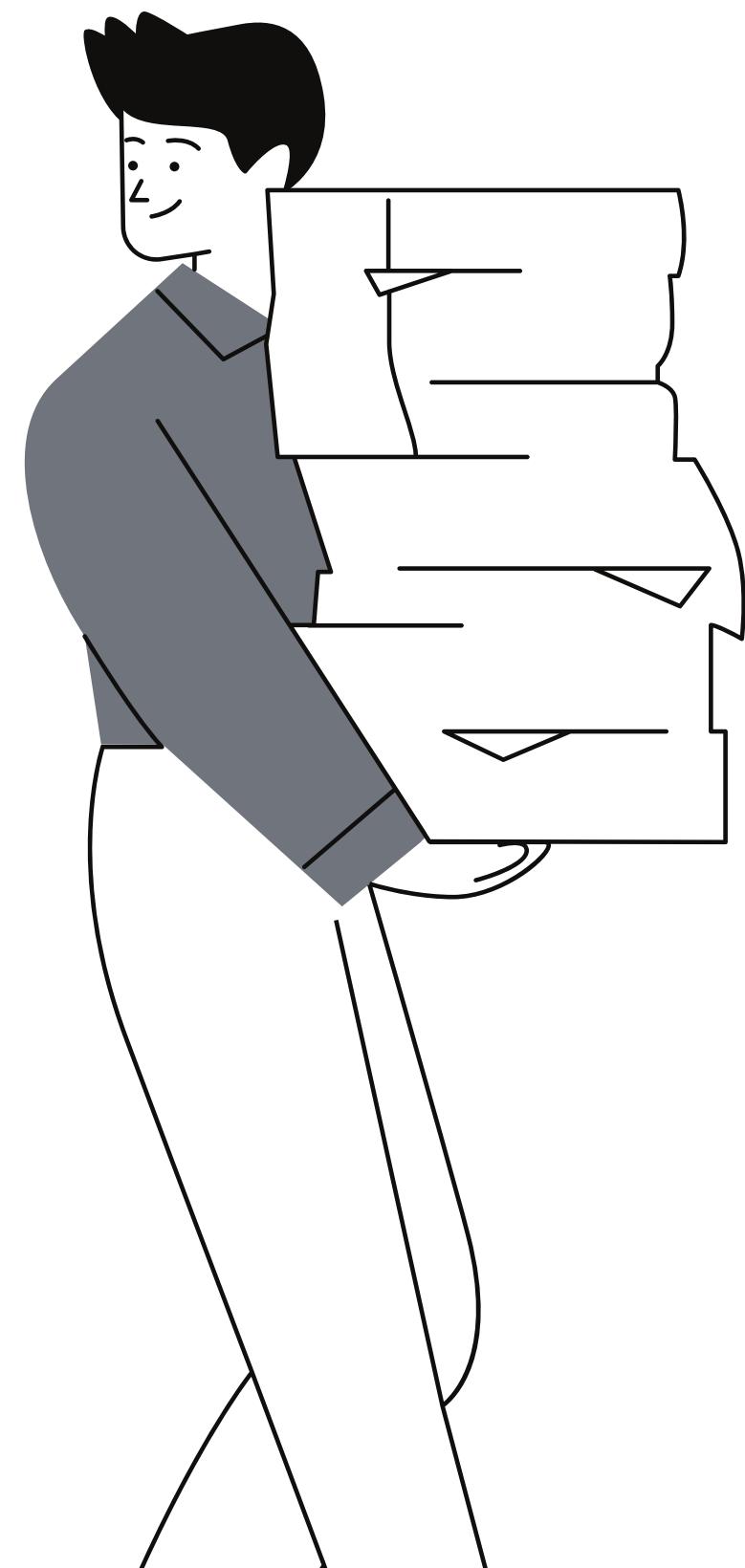


Smart Start

a better way to build
good credit



Introduction: What is *Smart Start*

Smart Start is a data-driven approach to educating and assisting people to build good credit at the lowest possible rates.



What comes to mind when you think
of credit scores?





- 1** Why this topic?
- 2** Scope of this project.
- 3** What the data shows.
- 4** Next steps.

1

Why this topic?



1

My friend

2

My sister

3

Me



2

Scope of this project.

Questions I wanted to answer

Question 1

Are the study results accurate?

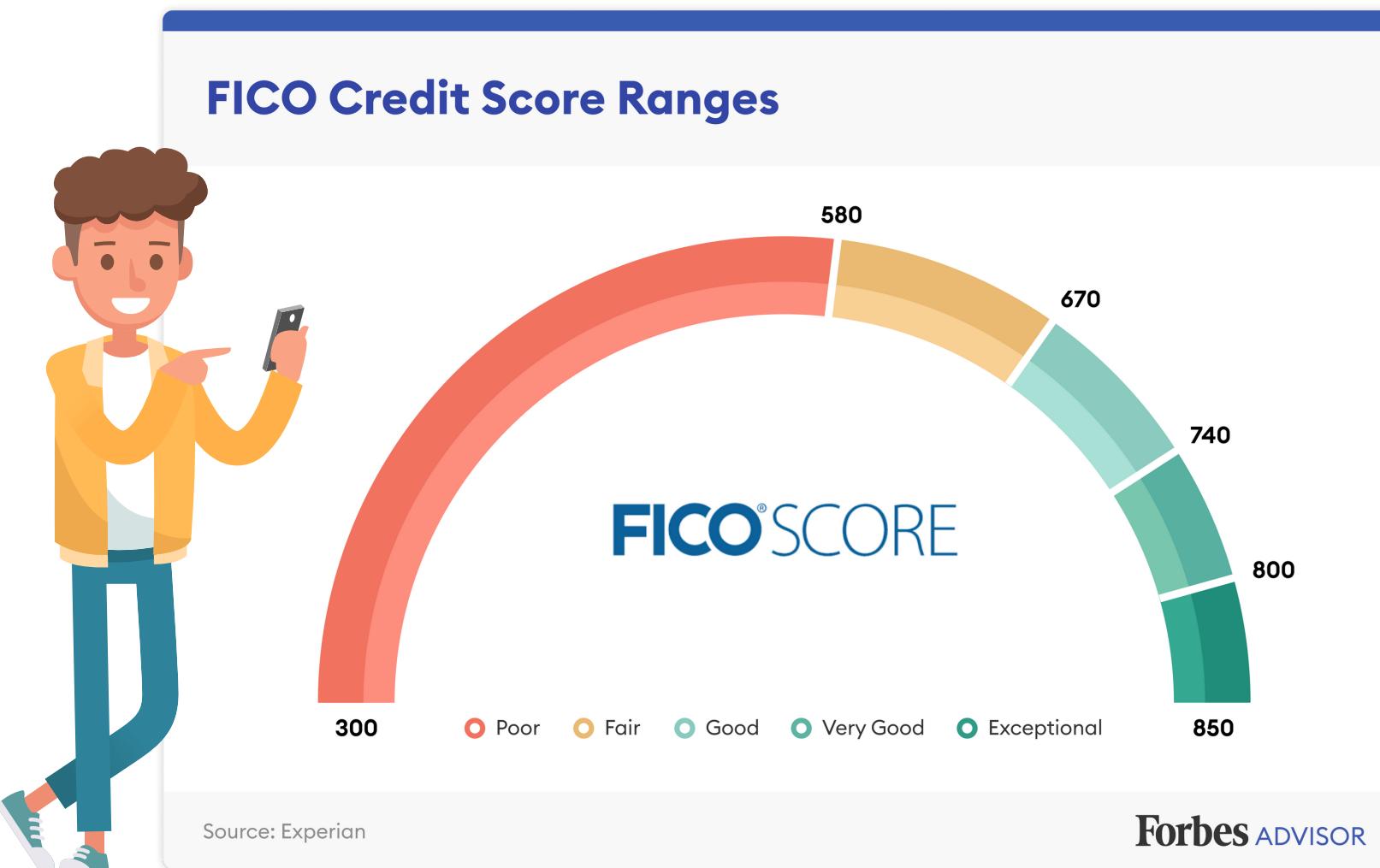
Question 2

Can I update the results to cover 2016 to 2021?

Question 3

What are the characteristics of this age group?

Did you know...



- 1
- 2
- 3

Roughly half of all Americans rarely or never check their credit report.

Credit scores and interest rates have an inverse relationship.

And subprime interest rates consistently outperform the S&P 500 and even REITs!

Credit Scores and US Adults

Credit score tiers	U.S. adult population	U.S. scored population	U.S. scored credit cardholding population
Superprime (scores of 720 or greater)	42%	53%	62%
Prime (scores from 660 to 719)	12%	16%	17%
Near-prime (scores from 620 to 659)	6%	8%	8%
Subprime (scores from 580 to 619)	6%	7%	6%
Deep subprime (scores of 579 or less)	13%	16%	7%
Thin or stale score file	11%	-	-
Credit invisible ²⁷	11%	-	-



**1 in 10 or \$46 million
Americans are "Credit
Invisible..."**

...meaning they have no credit score.

2019 2020 Point Increase

State

State	2019	2020	Point Increase
Alabama	680	686	6
Alaska	707	714	7
Arizona	696	706	10
Arkansas	683	690	7
California	708	716	8

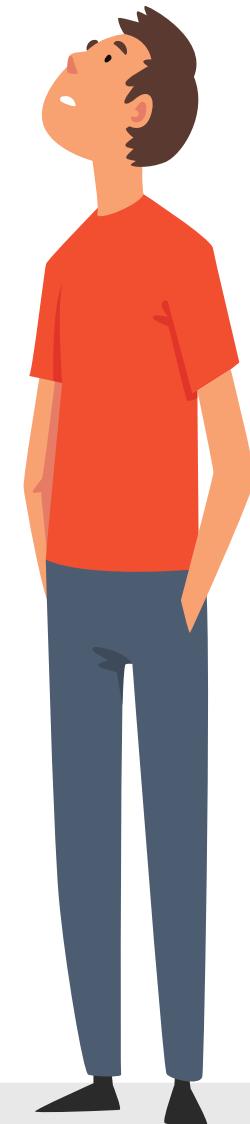
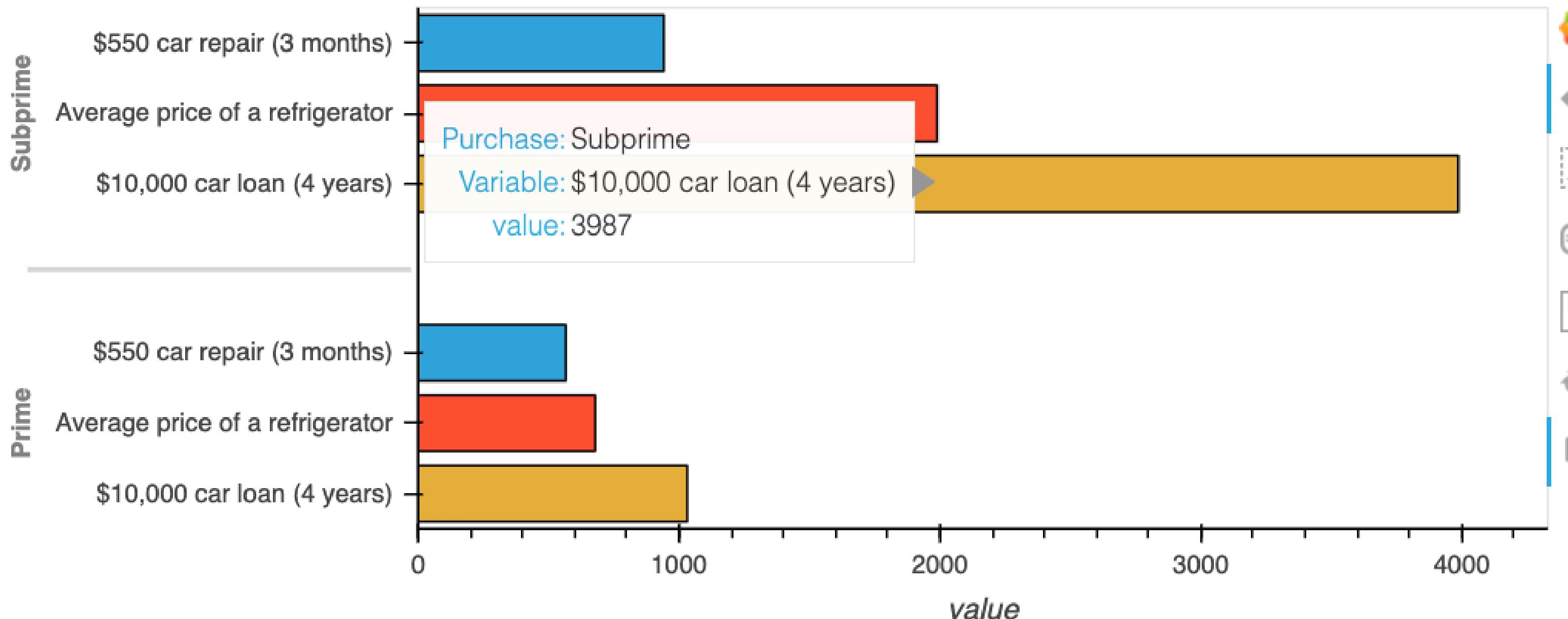
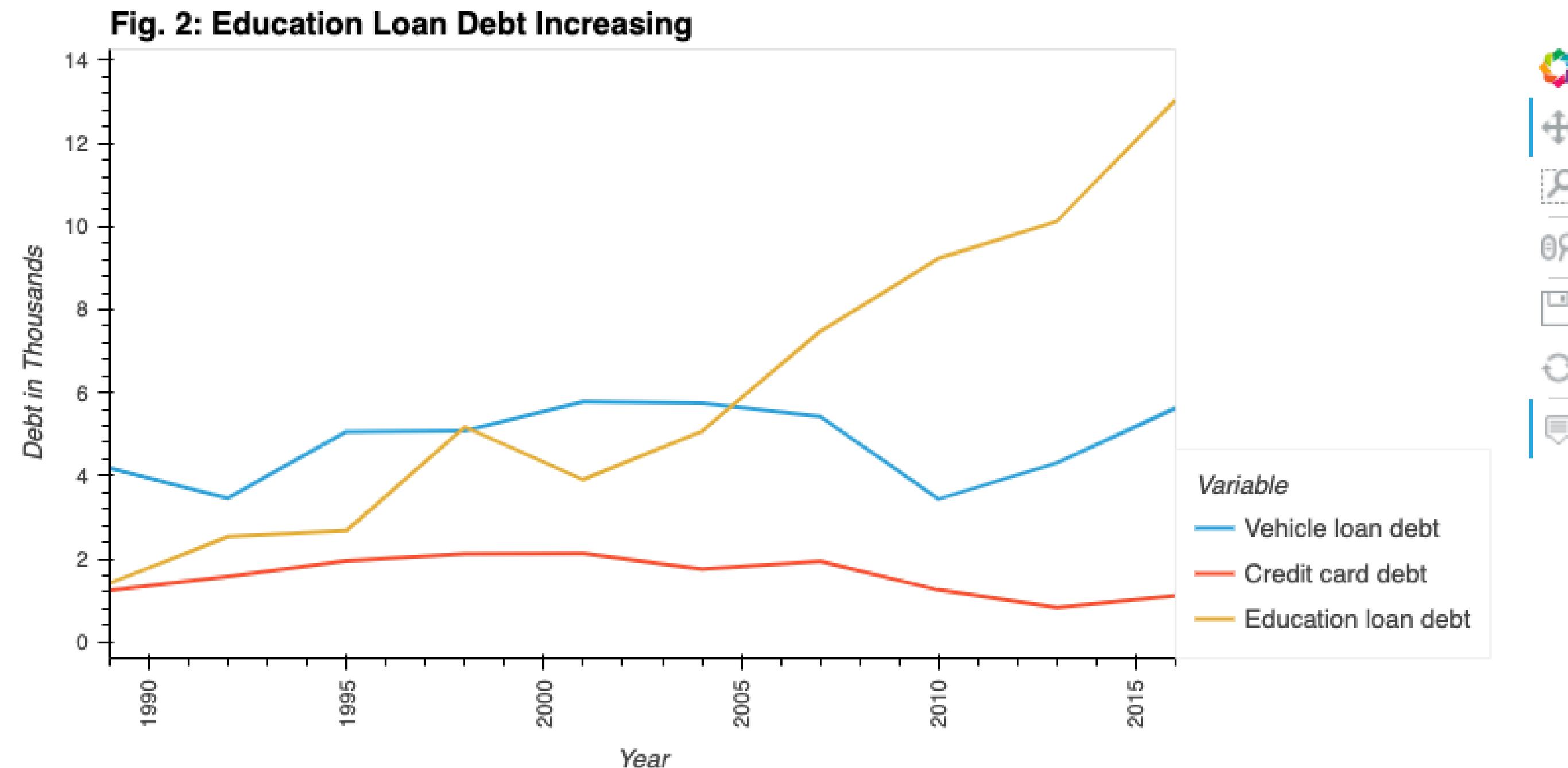


Fig. 5: Cost of Subprime Credit Score



Educational debt is increasing

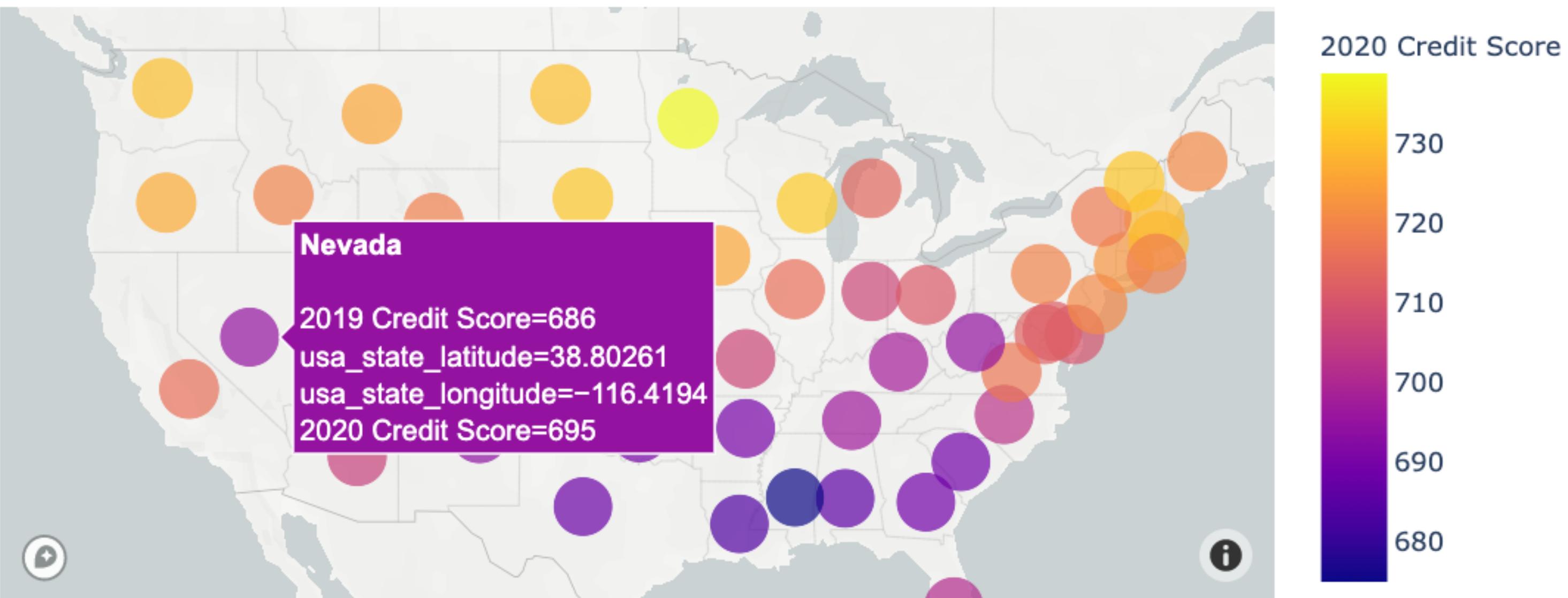




Credit scores and
credit rates vary
widely by region



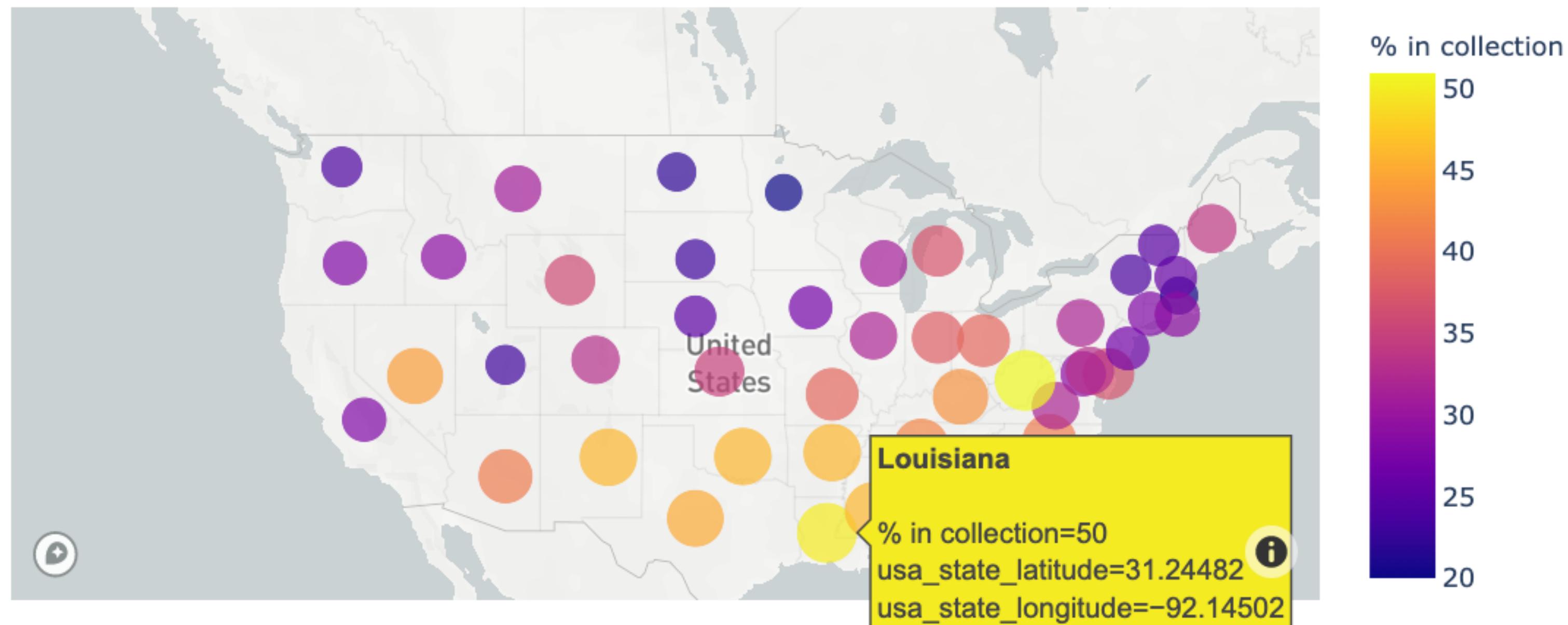
Fig. 13: Credit Scores by State



Notice of Default



Fig. 11: Percentage of Adults Under 30 with Debt in Collections



Tools and Resources

Tools and Libraries

- **PYTHON**
- **PANDAS**
- **MATPLOTLIB**
- **MAPBOX**
- **SCIPY**
- **PYVIZ/PLOTLY**
- **SQL**

Datasets

- **THE URBAN INSTITUTE**
- **GOVERNORS OF THE FEDERAL RESERVE BANK**
- **BUREAU OF CONSUMER FINANCIAL PROTECTION**

Obstacles

Signing NDAs,
arranging office
inspections,
cost of data.

Finding large, free
datasets to use

Jupyter Notebook
failed to deploy to
Canva

Focusing on less
and not more in
the presentation

FOMO-Fear I was
missing out on
group fun!

Successes

Identifying next steps in my evaluation of this opportunity

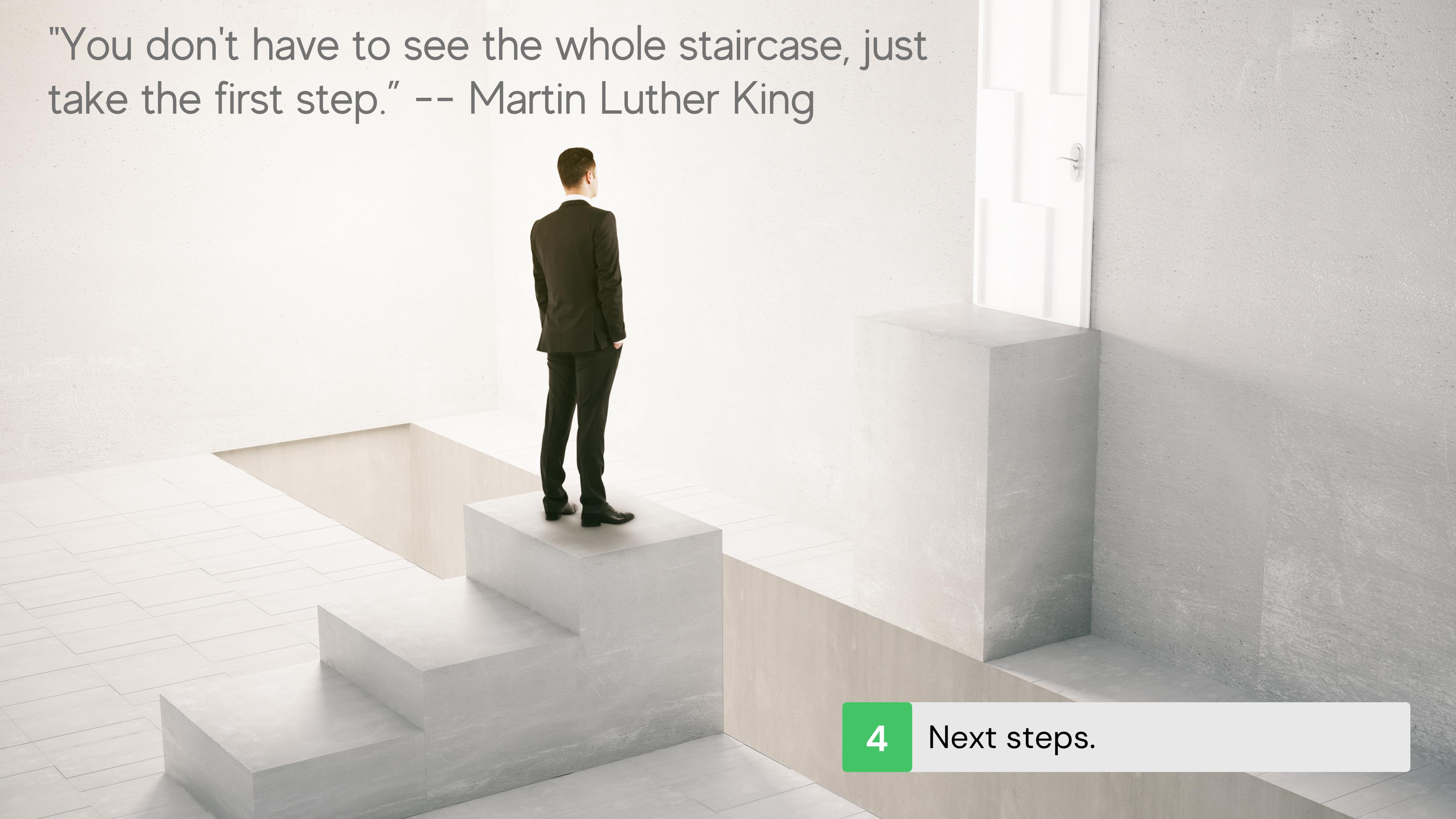
Learning to navigate large, publicly available datasets

Discovering some of the options available to consumers

Pushing through instead of panicking

Choosing carefully what to include

"You don't have to see the whole staircase, just take the first step." -- Martin Luther King



4 Next steps.

Typical Steps to Establishing Credit

1

Become an cosigner or
authorized user



2

Get a Credit Builder loan



3

Secured Credit Card



4

Credit for bills paid



What else might work?

1



2



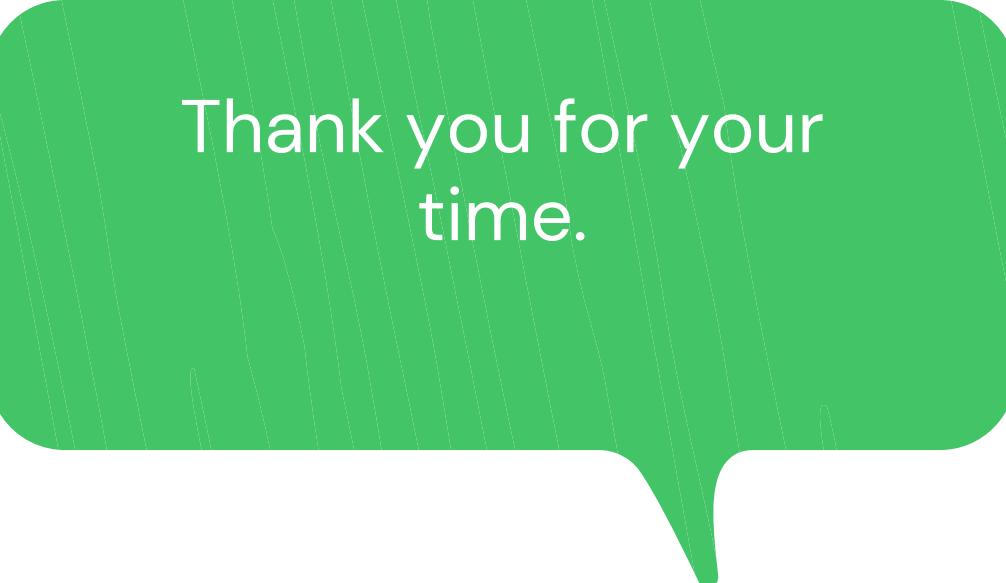
3



4



We're done!



Thank you for your
time.



Thoughts or comments? please Slack me @Tonia Hurst.