

April 25, 2005

To Whom It May Concern:

I would like to share my personal experiences with trying to obtain financing with a low credit score and explain why I feel that the credit score system that is currently in place is unfair, unjust, and should be abolished.

I will be 25 years old on May 9th, 2005, and my wife was 24 years old on February 3rd, 2005 and in December 2004, my wife and I decided to make a wise financial investment early in life by buying a house, and we found a great bargain on a house that we really liked. At the time, my credit score was barely above 600, and because of an issue that occurred with our finances that month, when the loan application got to underwriting my credit score had dropped to just above 500—resulting in our application being declined. We are now living in an apartment and paying more than double than what our mortgage payments would have been. It is not fair to deny young Americans the privilege to own their own home because of a silly number, yet we spend twice the amount to pay someone else's mortgage and pay consistently on time and our credit score stays right where it was because we do not benefit from paying rent on time.

The economy also benefits from more home purchases because the extra money that people were spending on their rent will be spent in their community, or if the people are very financially wise it will be invested. Either way it is a beneficial situation for both the consumer and the economy.

I honestly feel that the people in this country who have suffered because of their credit scores, especially the young adults who are trying to be financially savvy by purchasing such an investment as their first home, should receive compensation from the credit industry in the amount of the equity that they would currently have in their home had they received the mortgage, or in the case of a declination of a credit line, in the amount of the potential benefit that the consumer would have experienced had he/she received the line of credit.

American consumers have been negatively affected in the financial sense for the rest of their lives by this unfair system. I am a part-time financial analyst, and many times I have seen very successful adults, many of them with four-year college degrees, who make ridiculous mistakes with their finances—not out of irresponsibility, but out of ignorance because there was no one to teach them about finances. Taking this personal experience into consideration, I strongly believe that young Americans should be rewarded for their ambition to make such a wise financial decision as a home purchase, especially since we are not taught about “real world” finances in public schools or even at colleges and universities.

This unjust credit score system not only cheats young people out of the financial future they should have, it also affects the economy by preventing the purchase of thousands of homes each year. It is time to look at the future of America and understand that if the

practice of basing decisions on credit scores is not made illegal, our economy and the financial future of all Americans will suffer greatly.

Sincerely,
Nick Hayhurst