

# Elevate

## **ELEVATE LAUNCHES CENTER FOR THE NEW MIDDLE CLASS**

### ***- Center Releases Research on Effects of Credit Challenges Among Majority of Americans***

FORT WORTH, Texas – October 24, 2016 – With a majority of Americans no longer able to simply go to a bank to meet their short-term credit needs, Elevate today announced it has launched The Center for the New Middle Class, a research-focused body developed to engage and educate the public about the growing needs of individuals who do not have access to traditional credit options – many of whom also do not have \$400 in savings to cover short-term emergency credit needs.

Today, the Center released its first research report, which indicates just how important credit is to the majority of Americans who find themselves to be nonprime in the eyes of the traditional credit providers and banks.

Results from the study showed that, compared to those who have prime credit scores, nonprime individuals are:

- Nine times more likely to have been turned down for credit within the last 12 months
- Six times more likely to have been denied a job because of low credit within the last 12 months
- 12 times more likely to have been denied an apartment because of the lack of credit within the last 12 months
- 10 times more likely to say they couldn't "make financial progress" because of low credit within the last 12 months
- Much more likely to be focused on building credit when borrowing
- 52% more likely to deny themselves of comforts to save money
- More likely to believe their finances will worsen
- More likely to say their life is worse financially than when they grew up

"Despite most Americans having limited or no access to credit, these issues continue to be ignored and are not being proactively addressed," said Ken Rees, CEO of Elevate. "At Elevate, our mission is to help bring financial wellness to the new middle class and ensure everyone has access to fair credit solutions. By launching the Center for the New Middle Class, we hope to educate others about the critical pressures and needs of this growing population.

"Banks are no longer able or willing to make short-term credit available to The New Middle Class, traditional nonprime lenders have operated with no visible interest in helping the nonprime improve

their scores, and well-intentioned policymakers often make it harder – not easier – for people to get immediate credit relief and to build a better long-term credit future,” continued Rees.

“We’ve heard a lot lately about the financial pressures on many Americans, but there is surprisingly little non-anecdotal data about their behaviors, attitudes and challenges,” said Jonathan Walker, executive director of the Center. “We ultimately want to build a center that includes our own research as well as a clearinghouse of information from other sources – even some sources we may not agree with – because we believe dialogue is important.

“This first research indicates that a lack of credit is taking a huge toll on the lives and fortunes of most Americans. Macroeconomic changes and the last decade’s financial crisis have made this all too real for the 160 million Americans who find themselves credit starved, many of whom do not have \$400 in savings to cover short-term emergency credit needs.”

### **About the Research**

The Center’s research compared the responses of 502 nonprime Americans with 525 Americans with prime credit scores using interviews conducted June 27-July 1. For more details on the study, click here.

### **About Elevate’s Center for the New Middle Class**

Elevate’s Center for the New Middle Class conducts research, engages in dialogue, and builds cooperation to generate understanding of the behaviors, attitudes, and challenges of America’s growing “New Middle Class.” For more information, visit: <http://www.elevate.com/NewMiddleClass>

### **About Elevate**

Elevate has originated more than \$3 billion in nonprime credit to 1.4 million consumers to date. Its innovative online credit solutions provide immediate relief to customers today and help them build a brighter financial future. The company is committed to rewarding borrowers’ good financial behavior with features like interest rates that can go down over time, free financial training and free credit monitoring. Elevate’s suite of groundbreaking credit products includes RISE, Sunny and Elastic. The company is privately held and is backed by respected Silicon Valley venture capital firms including Sequoia Capital and Technology Crossover Ventures. For more information, visit:

<http://www.elevate.com/>.

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