**LISC Twin Accounts™**

Twin Accounts™ is an innovative financial product that uses behavioral economics to promote *savings and credit-building*. It was developed by LISC after recognizing a shortage in financial credit building options tailored for low- to moderate-income individuals. Many of whom have historically lacked access to mainstream financial products. LISC Twin Accounts™ serves as a critical first step on a path toward asset building and long-term family economic stability.

**The Importance of Building Credit**

With the rise of payday lending and usurious loan rates over 100%, access to affordable financial products has never been more critical. Low credit scores results in higher cell phone payments, costly financial products, may even impact housing and employment options.

**Credit is an asset.** The cost of low or no credit is at an all-time high; credit building is imperative for all Americans, especially those with tight budgets. Credit building strategies promote sound financial management behaviors that increase the credit score both in the short-term and over time.

Good credit is a precondition to access low-priced financial products. By accessing LISC Twin Accounts™ at no cost, individuals build their credit with every on-time payment. Twin Accounts™ is the first connection to traditional banking and a bridge to access lower-cost financial products and acquire assets for many clients.

**Impact of LISC Twin Accounts™**

LISC Twin Accounts™ combines the incentives provided in an Individual Development Account (IDA) with credit building to achieve a high level of impact on an individual’s financial bottom line. By the end of the twelve-month program, participants have saved $300 while building credit and earned a match on every on-time payment, doubling their savings to $600.

From the *Impact Analysis of Twin Accounts™ Report*, results show that financial coaching, when paired with access to financial products, significantly impacts credit scores and credit-building behaviors. Participants in Twin Accounts™ had double the credit score gain of non-participants in the program and were more than twice as likely to gain score and keep it (98% versus 36% in the comparison group).

- Nearly 70% of all participants complete the program. Of those, ***the majority increase in their credit score***.
- On average, participants who start the program with no score will exit with a score of over 630. Nearly all who begin the program with no score have a score of **over 600 after six months**.
- Individuals with a score had an average **increase of 60 points**. For most, the increase moves them from a low or sub-prime score into a prime score.

Building from the *Financial Opportunity Centers® Model*, which combines employment services, financial coaching, and access to income support for individuals with income below living wages, the connection to affordable financial products is a priority. LISC supports capacity building for a network of 100+ Financial Opportunity Centers® nationwide, bringing tools and resources that promote financial stability, increase of income, and asset building.

**Credit building and the LISC Twin Accounts™** have been integral to investing in communities around America.

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**Facts**

- Black, Hispanic, or living in low-income neighborhoods are more likely to have trouble accessing credit.
- Over 64 million Americans have low credit
- Approximately 45.4 million Americans have unscorable credit histories or are "credit invisible".

*Are the clients you serve reflected in these facts?*