



General Program Credit Guidelines

Published guidelines represent the minimum requirements for each program and are subject to CHB lender discretion. We use PayNet and Experian FICO 2 Credit Bureau Reports for All Baseline Scores. All Business must be conducted in the USA except...Louisiana.

**Louisiana – Deals from this State will not be considered.

625 – Minimum FICO 2 credit score (Sweet Spot CBR scores are 660 – 720)

- ✓ 12 Months Clean with no Child Support Delinquencies
- ✓ 12 Months Clean with no Slow/Late Pays 30/60/90+ days on Installment Loans
- ✓ >25% Available on Revolving Credit
- ✓ Bankruptcy – Closed over 3 Years Ago
- ✓ All Personal Guarantors / Applicants must meet all basic requirements (PGs cannot “prop up” other PGs)
- ✓ 660 to 720 CBR is an Ideal Score - with no lates on Installment Loans
- ✓ For Applicants with a <700 Credit Score – Current History of 2 (two) Term/Installments is Required
- ✓ Education and Affirm Loans will NOT be considered as credit for Installment Accounts for scores <700 CBR
- ✓ All Accounts with Past Due Balances may be considered as sufficient Reason for Denial
- ✓ Fraud Alert on CBR must have a corresponding phone number to verify and process
- ✓ Past Dues with Balances are OK on Utility, Phone, and Medical Obligations only
- ✓ Re-submitting deals and Adding Additional Guarantors to “Prop-Up” applicants are not Acceptable

PayNet Master Business Score data is used in underwriting

Bank Statements (Required for most Deals except Trailer-only Deals <\$75,000)

- ✓ 3 Months of Complete Business Bank Statements (All Pages)
- ✓ NSF's (Insufficient Funds) and Overdrafts are Cause for Denial / Use of Overdraft Protection is Allowed
- ✓ Start-Ups – 3 Months of Personal Bank Statements
- ✓ Merchant Cash Advances (MCA) on Bank Statements – Grounds for Denial

Private Party Sales/Seller (PPS) Deals

- ✓ For Titled Equipment Only – Title must never be in the possession of the Buyer
- ✓ CHB or an Independent Third Party must have Control of Title / Prior to or At Funding
 - Buyer, Seller, and 3d party Inspector must all be present for the exchange of funds and the equipment/title
- ✓ Minimum Finance amount is generally \$25,000
- ✓ The State Issued Title must be in Seller's/Owner's Name / No Reassignment or Skip Title
- ✓ The Buyer and Seller must be an “Arm's Length Transaction” (Not Related)

Business Ownership / Personal Guarantors

- ✓ All >20% Owners Must Apply under the Business Name
- ✓ All >20% Owners Must be a Personal Guarantor (PG) on the Deal
- ✓ Only 1 (one) of the Owners Needs to be Real Estate Owner (For OTR Trucking Deals Only)
- ✓ All Personal Guarantors must have a CBR FICO 2 Greater than 625 (PGs cannot “prop up” other PGs)
- ✓ If there is a Question on Business Ownership – IRS Schedule K and/or Articles of Incorporation are needed

TIB (Time in Business Requirements)

- ✓ No requirements, but applicant must exhibit competence in the business/industry
 - Dispatch, Mechanic, Family – Examples of Industry Experience
- ✓ All Applicants are required to be Responsible for operating the Business day-to-day / No Absentee Investors
- ✓ Applicants with >3 years of TIB are not required to possess a CDL

Start-Ups

- ✓ Must be Driving their First Truck or Operating the Equipment / No - Investor Start-ups
- ✓ Real Estate Ownership is Required for Truck Power Units only
- ✓ \$100,000 Net Worth is Required / CHB will Finance up to 50% of the Net Worth or \$75,000 / or 80% LTV – Less of the 2

Payment Dates

- ✓ 5th or 20th of the month for payments; Generally, first payment is due 49 – 64 days after Loan is activated / funded

Government Loans

- ✓ SBA (Small Business Administration) & PPP (Paycheck Protection Program) may be Excluded from the Balance sheet due to US Federal Government Loan Forgiveness
- ✓ EIDL (Economic Injury Disaster Loans) will be Included

DOT infractions on the SAFER Report above the national average are Grounds for Denial

Permanent Resident / Green Card Holders (non-expired) – Non-USA citizens

- ✓ Must Own Real Estate
- ✓ Must have a “Non-Conditional” 10 year Permanent Resident Card (2-year Conditional Cards are not accepted)

Additional Collateral to Reduce Down Payment (Titled/VIN only) at 50% of CHB determined comparable value

- ✓ Third Party Inspection is required

Military Veterans – Receive a 10% reduction in their Interest Rate (i.e. 15% rate x 10% discount = 1.5% Reduction in Rate)

ACH Payments Required for all Deals

Signed Credit Application with Credit Release Endorsement – All Credit Applications must have a Digital or Wet Signature to Process