



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 Credit Scores for All Baseline Scores. All Business must be conducted in the USA

625 – Minimum 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
- ✓ >50% 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 Credit Score 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