

Keystone Lending Alliance

Dealer Underwriting Guidelines – PA



Effective 03-29-16

Eligible Vehicles

Subject to year restriction: Vehicles must be 2008 model year or newer with less than 90,000 miles. No Daewoo's, RV's, van conversions, "R" branded/salvaged titles, or "commercial use" vehicles. As of April 1, all prior year new vehicles will be valued at book value; Alternative may be utilized for tiers 1-3 using 80% of Invoice as value with max. exception 130% of adjusted value. Current year new, non-titled, with over 6,000 miles and current year used vehicles without a book value will be valued using the chart below.

Mileage	<6,000	6,001-12,000	12,001-18,000	18,001-25,000	>25,000
Total Invoice Allowance	Up to 90%	Up to 85%	Up to 80%	Up to 75%	Call for value

Minimum Loan Amount: \$5,000 (minimum book amount \$3,500)

Income/Employment: Minimum guideline is \$1,650/mo.; 1 year employment or in same field with no more than 2 jobs in past 12 months; Self-employed, including 1099 employees, must be in business for a minimum of 3 years, have a FICO score >670, 2 years tax returns with schedule C required on FICO scores <700.

Credit Bureau: FICO score guideline is 625. FICO Score to be determined by KLA bureau. Minimum 2 years in bureau, 5 trade lines, and \$1,500 minimum "applied for credit". Minimum 1 year re-established auto credit after repossession or foreclosure. No multiple repossessions. Discharged bankruptcies only (no open or multiple); satisfactory explanation required if less than 1 year since discharge. Minimum 6 months re-established payment history with no delinquency. Rate surcharge applies.

Down Payment: All Tier 5 and below, first time buyers, repossessions, foreclosures, and less than 4 years since bankruptcy require the greater of \$1,000 or 10% of base price down payment.

Residence: Minimum 2 year residency history. 6 months at current address, or homeowner. No more than 2 residences in past 12 months. Co-borrowers must live at same address. The primary driver must be on the contract as obligor. Applicant(s) must reside or work in W. PA 16 County Area.

Debt Service Capacity: Up to 55% max all payments to gross verifiable income; Up to 20% max payment to gross income.

Advances: ***Based on Invoice or NADA Clean Trade Value (may be adjusted based on vehicle odometer). Certified Pre-Owned Add to Retail or Clean Trade Value is not permitted.***

Up to 145% Front-End (Line 3) Advance Including Tax, Tags, License + Back-End adds*; Rate surcharge may apply. *Max. Back-End (Warranty, GAP, LAH) 15% of Sales Price up to individual limits.

Service Contract/GAP: Limited to \$2,500 (\$3,000 on 4WD vehicles) or 10% of MSRP/NADA Clean Retail, excluding tax, up to \$4,000 max. (min. 50% of loan term/24,000 miles). GAP \$800 or State Max, whichever is less. Minimum LTV to add GAP is 80%.

Eligible Terms: Minimum invoice or NADA Clean Trade: 66months = \$10,000; 72 months = \$12,500 (Tiers 1-3) and \$15,000 (Tiers 4 and below); 75 months = \$17,500 (Tiers 1-3) and \$20,000 (Tiers 4 and below); 78 months = \$20,000 (New/1yr only); 84 months = \$25,000 (see rate sheet for model year eligibility). Term extensions: add .25% for first 6mo.; .50% for each additional 6mo. (approval required).

Flat Fee/Participation: KLA Base Rate pays a 5% Flat Fee of the amount financed and discounted rates pay 4.5% - 1.0%. Alternate Participation up to 2.0% paid on 24-72 month contracts; 1.75% 73-77 months; 1.50% 78-83 months; 1.25% 84+ months. (Current Member cap of 1.0% - 1.5%) paid on 75/25 split. Minimum amount financed is \$7,500; Minimum term 36 months for 1% Flat Fee; 48 months for Bonus Flat Fees of 1.5% - 5.0%. A 135 day chargeback period applies for payoffs, charge-offs repossessions, skips, and bankrupts. Bonus Flats will not be paid as stated if any of the bonus rates are less than buy rate (lowest rate) on the call back. This would be an obvious error and will not be honored.

Fee Structure: Acquisition Fee Schedule: Tier 1-3 = \$25; Tier 4 = \$35; Tier 5-6 = \$50-\$75; Tier 7 \$75-195 will be deducted from proceeds to the dealership. Additional fees may apply for exceptions to advance, debt service, and term policy. A \$25 fee will apply on contracts below \$7,500; \$50 below \$5,000.

Preferred Make Discount: .30%-Honda, Subaru; .25%-Acura, Toyota/Lexus, Nissan/Infinity, VW/Audi, BMW, Mercedes-Benz, Mazda; .20%-Hyundai, Kia, Volvo, Mini Cooper; .15% Domestic 4WD/AWD.

Expirations: Approvals must be submitted for funding within 30 days of approval; up to 60 days on ordered vehicles from the manufacturer with notification and approval. Rates guaranteed for 30 days only.