

Vehicle Values, LTV, Terms – Auto Loans

Secured loans must be fully covered by collateral to qualify for the applicable secured rate.

VALUES:

All JD POWER Values must be done by the Credit Union using the VIN and Mountain States.

- New Purchase – Invoice Value per JD POWER (not MSRP)
 - If no JD Power Invoice is available, the previous year's JD Power Retail Value may be used with a 10% increase.
- 19 years and Newer – High Book/Retail Value per JD POWER (Used)
- 20 years and older – Lowest Book/Trade Value per JD POWER (20yrs and older – add 2% to the rate)

AUTO LTV's:

The maximum LTV will be based on the member's FICO score as outlined below. The maximum Front End LTV will be inclusive of sales tax, title and dealer doc fees. Backend Products such as inhouse GAP and MRC can be added as Plus Plus. (Backend products from partner dealerships on the Indirect platform can also be allowed to have plus plus adds. See Active Dealership list on the Intranet.)

15 years Old and Newer:

- A+ & A Borrowers (FICO's 700+) can go up to 110% LTV*
- B Borrowers (FICO's 660-699) can go up to 105% LTV*
- C Borrowers (FICO's 625-659) can go up to 90% LTV
- D Borrowers (FICO's Lower than 625) can go up to 70% LTV

*LTV CAPS over \$50,000 = 105% LTV MAX, over \$75,000 = 100% LTV MAX, over \$90,000 = 90% LTV MAX & 700+ FICO

16 Years and Older (Vehicles older than 20 years need 2% added to interest rate):

- A+ & A Borrowers (FICO's 700+) can go up to 90% LTV
- B Borrowers (FICO's 660-699) can go up to 80% LTV
- C Borrowers (FICO's 625-659) can go up to 70% LTV
- D Borrowers (FICO's Lower than 625) can go up to 60% LTV

Lenders within their approval authority can **adjust a member's risk score up to 15 points** within specific parameters:

- Members must have been with the Credit Union for a minimum of three years with a membership in good standing (See the loan policy or Rate Bump guide for full parameters.)

If the Credit Union opts not to use a FICO at all, errors on a Credit Report must be documented and the worksheet would require an approval and sign off by the Credit Manager, Senior LO, CLO, or CEO.

Branded or Salvaged Titles will be valued at ½ book value. Exceptions to this must be approved by the Credit Manager, CLO, or CEO.

AUTO LOAN TERMS:

The Board of Directors sets Loan Terms. The current loan terms are as follows:

Autos 15 Years & Newer:

Less than \$5,000 – 36 months

\$5,000 - \$10,000 – 60 months

\$10,001 - \$20,000 – 72 months

Greater than \$20,000 – 84 months **FICO scores below 625 do not qualify for 84 month terms* ***Terms of 84 months may not be extended six months for Backend Product Sales or DP adds.*

Autos 16 Years & Older:

Less than \$5,000 – 36 Months

Less than \$20,000 – 60 Months

Greater than \$20,000 – 72 months

Extending Terms: Loans may be extended up to six months for members purchasing a Credit Union GAP Policy, Vehicle Service Contract, or adding Debt Protection. *** Terms of 84 months may not be extended six months for Backend Product Sales or DP adds.* The term of the extension will be at the discretion of the Loan Officer, based on the cost of the add-ons, not to exceed six months. (Loans for members purchasing a GAP or Service Contract from a dealership on the Active Indirect Dealer list may be extended up to a maximum of six months.)