

Underwriting Criteria for Qualifying Automobile Loans¹

- » The originator verified and documented that within 30 days of the date of origination:²
 - The borrower was not currently 30 days or more past due, in whole or in part, on any debt obligation.
 - Within the previous 24 months, the borrower has not been 60 days or more past due, in whole or in part, on any debt obligation.
 - Within the previous 36 months, the borrower has not been a debtor in a bankruptcy proceeding or been the subject of any federal or state judicial judgment for the collection of any unpaid debt.
 - Within the previous 36 months, no one-to-four family property owned by the borrower has been the subject of any foreclosure, deed in lieu of foreclosure, or short sale.
 - Within the previous 36 months, the borrower has not had any personal property repossessed.
- » The originator has determined and documented that the borrower has at least 24 months of credit history and that, upon the origination of the loan, the borrower's debt to income (DTI) ratio is less than or equal to 36 percent.
- » The originator must verify and document all income of the borrower included in the calculation of the DTI ratio and obtain a credit report to verify that all outstanding debts are included in the calculation.
- » The borrower must make a minimum down payment of at least 10 percent of the purchase price, plus the amount of all title, tax, registration fees, dealer fees, additional warranties, insurance, or other products purchased with the vehicle.
- » The loan is secured by a perfected first lien on the vehicle.
- » The maturity date of the loan may not exceed the lesser of (a) six years and (b) 10 years minus the difference between the current model year and the vehicle's model year.
- » The loan must be a fixed-rate loan with level monthly payments that fully amortize the loan amount over the loan term.
- » The borrower is not permitted to defer any payments and must make the first payment on the loan within 45 days.
- » At the closing of the securitization transaction, all payments due on the loan are contractually current.

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¹ Limited to a loan to an individual to finance the purchase of, and that is secured by a first lien on, a passenger car or other passenger vehicle, such as a minivan, van, sport-utility vehicle, pickup truck, or similar light truck for personal, family, or household use.

² The originator can satisfy this obligation by obtaining and keeping a copy of a credit report from a consumer reporting agency that confirms that the borrower meets these requirements.