

Business Loan Matrix

Risk Rating Worksheet

	1 Superior	2 Desirable	3 Acceptable	4 Marginal	5 Substandard	6 Doubtful	7 Loss
Credit History - (suggested range)	Clear - (750+)	3 Derog max 0>30 days (700-749)	5 Derog max 1>60 days (650-699)	5 Derog max 1>60 days (575-649)	Some >90 days - (500-574)	Many >90 days - (450-499)	Bankruptcy /Charge offs (Below 450)
Cash Flow	2 years + 1.3:1	1 year + 1.15-1.25:1	1 year + 1.1-1.15:1	0.8-1.1:1	0.6-0.79:1	0.5-0.6:1	Insufficient or Pro Forma
Debt Ratio	38% max	40% max	45% max	48% max	Over 48%	Over 50%	Over 55% or Pro Forma
Lien Position	1st			2nd		Unsecured or >LTV	
LTV	<70%	<80%	<90%	<95%	96%-100%	100 -101%	101 - 105%
Management Exp	6 years +	5 years +	4 years +	3 years +	2 years +	1 years +	> 1 year experience

Risk Factor	A Rank (1-7)	B Weight	AxB Total
Credit History		25%	0
Cash Flow		40%	0
Debt Ratio		5%	0
Lien Position		5%	0
LTV		10%	0
Management Exp.		15%	0
Total Score	0	100%	0

Score of 1 - 3.99 = Approval

Score of ≥ 4.00 = Denial

Score of 1 -1.99 = Prime -1

Score of 2-2.99 = Prime

Score of 3-3.99 = Prime +1