

ON THE ROAD LENDING

Your Road to Financial Freedom

**ON THE ROAD
LENDING**

MONEY FOR LESS + RESPECT FOR FREE

What is On the Road Lending?

- A nonprofit, *Champion Impact Capital* company, committed to fighting predatory lending by proving that people with low credit scores or no credit can become good borrowers.
- Through education, coaching and peer support, we create a pathway to affordable money for cars.
- Our goal is big but achievable –to change the entire lending industry.



CHAMPION

IMPACT CAPITAL

- Formed by a group of community leaders to assist government and philanthropic organizations to solve social challenges. Predatory lending is a significant issue within the Dallas area, preying on those traditionally subject to unfair business practices. Champion created On the Road Lending to solve this problem.
- Funding to make the loans comes from banks, credit unions, foundations and investors devoted to improving individual's credit standing and offering an alternative to predatory lending.
- Champion aims to empower individuals financially and enable them to get an essential building blocks of a strong, healthy life -- reliable, affordable transportation.

OUR MISSION

- On the Road Lending helps people build economic independence and strong lives through financial education, credit coaching, and access to affordable car loans.



Goals of the Program

- offer transportation at a low cost
 - Affordable loans
 - The RIGHT car
- provide education
 - Credit
 - Banking
 - General Finances
- opportunity to improve credit score
- combat predatory lending

Program Outcomes

- Improved ability to get to work reliably or get a better job
- Relocate to another part of the community
- Improved financial stability through education
- Opportunity to improve credit scores
- Improvements to family health
 - Reduced stress
 - Better access to health care
 - more nutritious food options

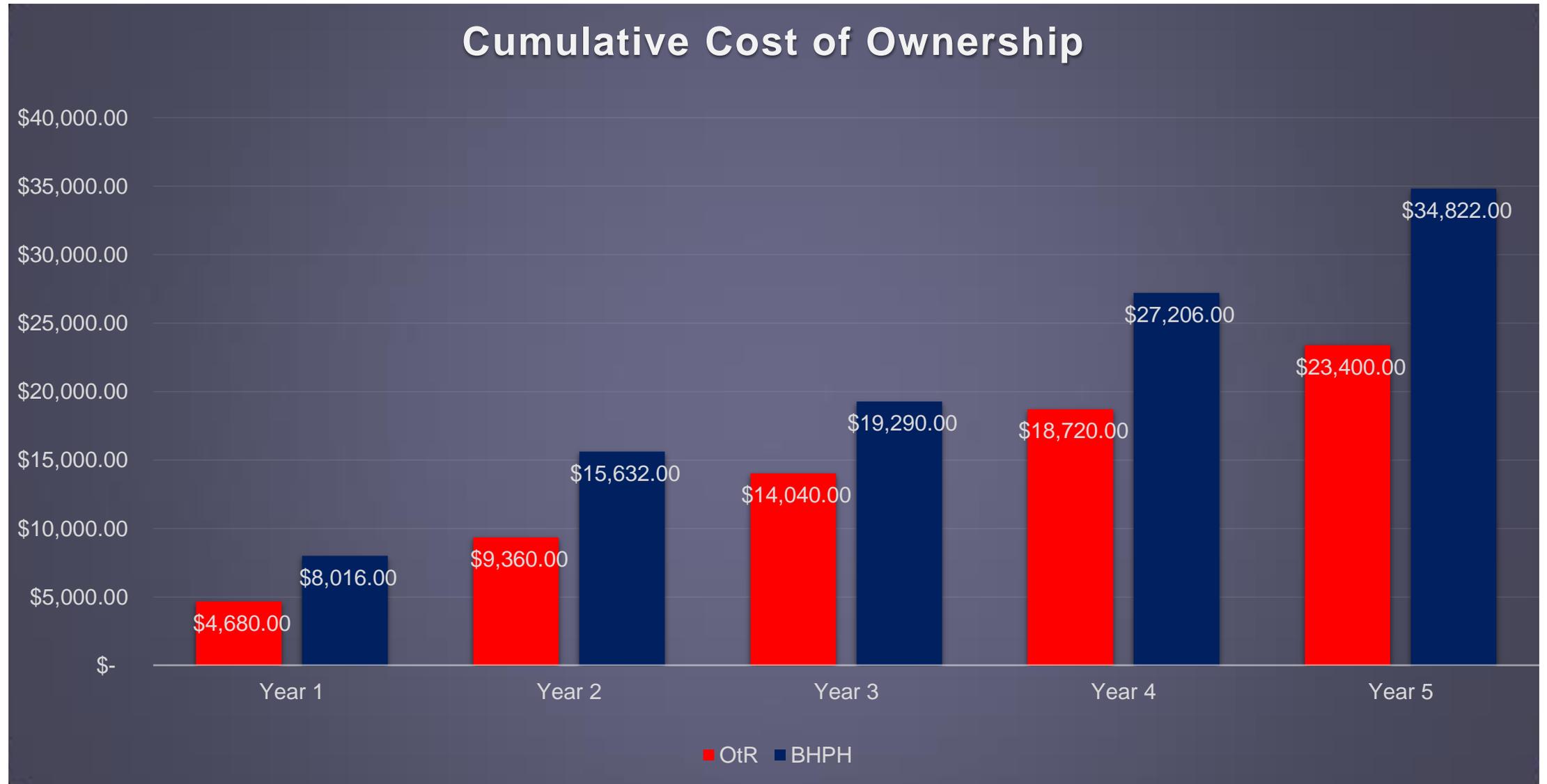
Vehicle Comparison

| | On the Road Lending | Buy Here Pay Here* |
|---|-------------------------------|-------------------------|
| Make, Model, Year | 2011 Toyota Corolla | 2004 Chrysler Sebring |
| Mileage | 40K | 110K |
| Value | \$13,775 | \$5,200 |
| Sale Price | \$12,500 | \$7,950 |
| Down Payment | \$0 | \$1200 |
| Interest Rate | 8.6% APR | 24.5% APR |
| Monthly Payment | \$238 | \$309** |
| Gas | \$110 per month | \$189 per month |
| Extended Warranty (60 Months/100,000 Miles) | \$22 per month | None |
| Repairs | Included in Extended Warranty | \$80 per month |
| Monthly Cost | \$370 | \$578 |
| Residual Value | \$5,500 | \$100 |
| Carbon Footprint | 5.9 tons per year (CO2) | 7.0 tons per year (CO2) |

*Assumes equivalent vehicle replacement after 3 years

** Averaged over 60 months

OtR vs. BHPH



Affordable Alternative

- Automobiles
 - Reliable
 - Fuel Efficient
 - Low depreciation
 - Fits budget and family size
 - Payment includes Warranty

- Interest Rates
 - 8.6% APR
 - “Stepped Down” Program



Added Benefits

- Major Repairs
 - Covered through extended warranty
 - Warranty is financed into car loan
 - No unplanned repair bills
- Peace of Mind
 - From driving a reliable car
 - Backed by a reputable dealer
 - Will not need to be replaced before it is paid off.
- Value
 - Vehicle is valued above purchase price
 - Maintains value after loan is repaid
- Savings
 - \$10,000 over five years compared with a buy here pay here vehicle

Who We Can Help?

- Program is open to everyone who qualifies:
 - Anyone with weak or limited credit
 - People new to the country with limited or no US-based credit
 - US citizen or non citizen legally admitted
 - First-time borrowers
 - Those with good credit who want to support the program and get assistance with purchasing a vehicle

Who Can Qualify?

- Those motivated to improve their credit
- Must have steady employment and residence
- Minimum residual income of \$500 a month to cover car payment, gas and insurance
- At least 21 years of age



Money for Less. Respect for Free.

- Empathetic approach
 - A person is not their credit score
 - Seeing you for you
- Investing in our clientele
 - We want to improve all aspects of life;
 - Job
 - Education and Income
 - Health
- We are here to help in every way we can



Outcomes for Delivered Clients

90% single women of which 65% have dependent children

Ages range from 25 to 61

75% in the Stepped Down Program

Average Credit Score is 555 (not including first time borrower)

Average Annual Income is about \$30K/ 90% are HUD qualified

Expansion

On the Road Lending is currently working across the state, including both urban and rural markets. We expect to expand nationally within the next 2-3 years, starting with the states more vulnerable to predatory lending.

How to Contact OtRL about Partnering

Contact: Elizabeth Ridgley at (214) 283-8972 or email
info@ontheroadlending.org