

Commercial Lease Decision ScoreSM

Speed, accuracy and performance — the right combination for making better underwriting decisions

A powerful lease decision support tool brought to you by Experian and PredictiveMetrics, Commercial Lease Decision ScoreSM enables you to process a higher volume of leasing transactions with confidence, leading to increased sales, improved customer service and higher overall productivity.

Why underwrite with scores?

Benefits of risk scoring:

- Significantly reduces subjectivity in the decision process by using consistent criteria
- Provides quick decision turnaround
- Increases underwriting efficiency

Why Commercial Lease Decision Score?

Using performance-based variables, Experian® is able to verify model accuracy, giving you a reliable, tested measure of future business performance.

The score was derived using actual leasing performance data from major leasing companies.

Score range flexibility

Scores range from 0 to 100, with the higher scores representing a lower risk. You can use preset, performance-based ScoreClasses or you can set up to 10 score ranges between 0 and 100, tying specific decisions/actions to each range. You easily can adjust these ranges based on market factors, which can impact your need to either increase sales or more closely manage risk.

Predictive data

Commercial Lease Decision Score was developed using Experian's commercial credit database containing a suite of proven predictors of future risk:

- Trade relationship and payment history
- Public record — bankruptcy, tax liens, judgments and UCC filings
- Collections
- Business demographics

Effective lease underwriting decisions

Commercial Lease Decision Score enables lessors to predict 90+ day payment delinquency and charge-offs within 18 to 24 months of underwriting.



Commercial Lease Decision Score report

The easy-to-read, one-page report features:

- A single lease risk score or ScoreClass for a quick and accurate decision solution
- Summaries of the trade payment and public record data and background information on the business
- A percentage, which ranks the risk level of the business compared with all other businesses
- The key factors influencing the score

Positive score factors

- Stable payment behavior over the past five quarters
- Low incidence of late payment behavior
- No public record information present
- Larger company based on number of employees
- Established credit history
- Low incidence of derogatory trades

Negative score factors

- High number of inquiries in the last nine months
- Presence of public record information
- Presence of derogatory trades
- High credit balance compared with 12-month high
- Late payment behavior in the last six months
- Sole-proprietor or home-based business
- Smaller company based on number of employees

Developed in partnership

The combined forces of Experian's commercial data and PredictiveMetrics' analytical leasing expertise bring the leasing market a highly predictive, industry-specific scoring model.

PredictiveMetrics — a leader in commercial decision solutions

PredictiveMetrics provides innovative commercial decision solutions that reliably improve your bottom line. The company's comprehensive statistical solutions include industry-specific and custom decision tools. PredictiveMetrics' clients achieve greater profitability in customer acquisition, ongoing portfolio management and collections effectiveness.

Experian — the leader in global information solutions

Experian is an information solutions company. We use the power of information to help our clients target prospective customers, manage existing customer relationships and identify opportunities for profitable growth. Experian is a subsidiary of GUS plc and has headquarters in Nottingham, UK, and Costa Mesa, Calif. Our 12,000 people support clients in more than 50 countries. Annual sales are in excess of \$1.5 billion.



Commercial Lease Decision Score provides solutions across the Customer Life Cycle

- **Targeting** — Select prequalified names from your portfolio or Experian's marketing database
- **Acquiring** — Decision new applications or assist with due diligence for portfolio purchases using Internet, CPU or batch processing
- **Managing** — Score portfolio to monitor leasing policies, track customer risk, prioritize/expedite collections and determine overall portfolio risk
- **Maximizing** — Score portfolio to help process renewal, identify cross-sell and up-sell opportunities or adjust terms

Commercial Lease Decision Score Report

- 1 FR Number — Use the number to order Business Profile.
- 2 Sample company — The business for which you have requested information is shown here along with the address, phone number, Experian file number and the date when the company information was established in the business credit information database.
- 3 Credit information — Lists pertinent summary business data relating to the company's business credit performance.
- 4 Score — A statistically-based lease risk score derived from the business' information. The score ranges from 0 to 100, with lower scores indicating high risk and higher scores indicating low risk.
- 5 Action — Shows the decision alternatives you set based on a given set of ScoreClasses or score ranges and your credit policy.
- 6 Percentile — Shows the percentage of businesses that would have scores below the business being scored.
- 7 Score Factors — Indicate which variables contribute most significantly to the score.

Sample Commercial Lease Decision Score Report

PAGE 1	RPT DATE 08-02-2002	TIME 10:21:11	PORT 0218	TYPE Profile	1 FR 1901100455 340
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2 I Luv to Lease, Co
14 Maple Rd
Memphis TN 38115

File No: A999999992
File Established: Aug. 1987
Phone: 901-555-1234

Commercial Lease Decision Score

The objective of the Lease Decision Score is to predict seriously derogatory payment behavior. Possible scores range from 0 to 100, where 0 is a high risk and 100 is a low risk. Possible ScoreClasses range from 1 to 5, where 1 is very low risk and 5 is an extreme risk.

3 Credit information for I Luv to Lease:

Current Days Beyond Terms (DBT).....	91
Monthly Average DBT.....	90
Highest DBT in Past 6 Months.....	101
Worst-Ever DBT.....	101
Trade Account Balance from 7 Tradelines (All).....	\$2,100
Average balance in the Past 5 Quarters.....	\$7,140
Recent High Credit.....	\$27,600
Median Credit.....	\$13,850
Number of Bankruptcies.....	0
Number of Judgments.....	0
Number of Liens.....	1
Number of Collection Accounts.....	0
Number of Original UCC Filings.....	1
Legal Balance.....	\$0
Number of Years on File.....	11
SIC code.....7359 (Equipment Rental and Leasing)	

4 Score: 31.06 5 Action: ScoreClass = 4B Very High Risk

6 Six percent of Businesses Score Lower (Indicating Higher Risk) than this business

7 The Key Determining Score Factors Are:
 Presence of unsatisfied tax lien
 Late payment behavior in last 6 months
 Smaller company based on number of employees

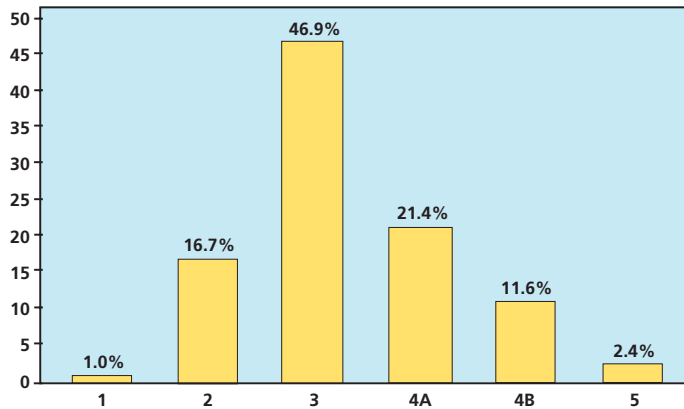
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"End Report"

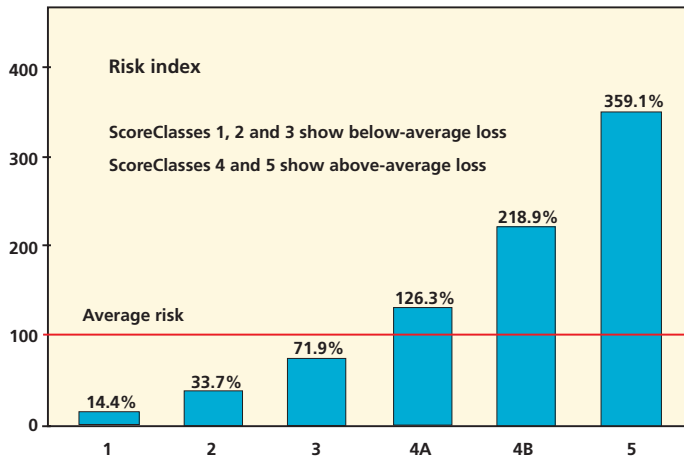
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Commercial Lease Decision Score risk index by ScoreClass

Each class is performance based: ScoreClass 1 is very low risk, ScoreClass 2 is low risk, Scoreclass 3 is moderate risk, ScoreClass 4A is high risk, ScoreClass 4B is very high risk, and ScoreClass 5 is extreme risk.



Distribution by ScoreClass of firms in Experian's Business Credit Database



Notes: Average risk is set to 100. A value of 50 represents 50 percent below average; a value of 150 represents 50 percent above average.

Graphs are based on Experian's Business Credit Database.

To find out more about Commercial Lease Decision Score, contact your local Experian sales representative or call 800 520 1221.

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