



Open Lending's 84-Month Near and Non-Prime Auto Loans Enable Credit Unions to Meet Rising Auto Prices

September 15, 2022

Increased PTI (Payment to Income) ratio for indirect lending drives auto loan growth and increases yields in uncertain market

AUSTIN, Texas--(BUSINESS WIRE)--Sep. 15, 2022-- Open Lending Corporation (NASDAQ: LPRO) ("Open Lending" or "the Company"), an industry trailblazer in lending enablement and risk analytics solutions for financial institutions, today announced it will provide clients the ability to offer 84-month terms for new and used vehicles up to four years old, with less than 60,000 miles. This is an increase of nine months from its previous maximum term. In addition, Open Lending will now provide its clients the ability to offer a higher PTI (Payment to Income) ratio for indirect lending, increasing full approvals and higher funding ratios due to fewer counter offers. Both offerings will help financial institutions increase loan volume, minimize risk and increase return on assets.

"Inflation is impacting everything we purchase, including the cost to own a car," said John Flynn, Open Lending Chairman & CEO. "More than one third of applications requested terms more than 72-months in 2021, so now we're offering the ability to provide higher loan amounts, longer loan terms and higher PTI ratio for indirect lending. Our motivation and our mission are to help our clients empower more of their near and non-prime members to reach their dreams of vehicle ownership during this uncertain time, and in doing so also help our clients unlock new revenue opportunities."

According to the [Dealertrack Credit Availability Index](#), the All-Loans index has declined for three straight months and obtaining auto credit has become increasingly more difficult to secure since hitting a record in April 2022. However, credit unions are still faring exceptionally well. Experian's "[State of the Automotive Finance Market](#)" report showed credit unions produced 25.8% of the loans and leases from lenders in the three months ending June 30, up from 18.3% a year earlier and 22.1% in this year's first quarter.

Open Lending client and CapEd Credit Union executive Jeremy Sankwich's experience is a testament to how credit unions are still delivering growth leveraging the Lenders Protection™ program. "Partnering with Open Lending allows us to give more opportunities for vehicle loans to members that are near and non-prime or emerging-prime while we leverage the efficiency of Lenders Protection's instant decisioning," the VP of Consumer Lending says that, "amidst a volatile economic climate, we are growing loans, growing yield and helping a wider variety of members access credit while also mitigating credit risk with Open Lending's default insurance."

Lenders Protection™ was launched in 2003 in the credit union marketplace. In the years since, financial institutions have used Lenders Protection™ consolidated analytics and insurance solution to originate and insure more than \$16 billion in auto loans. Over 400 financial institutions have leveraged the easy-to-use program to effectively originate near and non-prime auto loans, drive loan growth and increase loan portfolio yields. To learn more about Open Lending and its Lenders Protection™ program or schedule a demo, click [here](#).

About Open Lending

Open Lending (NASDAQ: LPRO) provides loan analytics, risk-based pricing, risk modeling and default insurance to auto lenders throughout the United States. For over 20 years they have been empowering financial institutions to create profitable auto loan portfolios by saying "yes" to more automotive loans. For more information, please visit www.openlending.com.

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Source: Open Lending Corporation