

THINK LIKE AN F&I MANAGER

EFG Subprime Intelligence

PAST DUE

According to Experian's latest State of the Auto Finance Market Report:

- ⚠ Finance companies experienced a 2.6% year-over-year increase in 30-day delinquent loans
- ⚠ Finance companies accounted for \$6 billion worth of delinquent loans
- ⚠ The 10 states with the highest delinquency rates account for 32% of the total amount of delinquent loans

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DEALING WITH DELINQUENCY

While some analysts would argue that it's time to tighten restrictions on subprime loans and increase interest rates, especially in the states where delinquency is highest, **there are other options.**

For example, with complimentary consumer protection products, like a vehicle service contract or vehicle return protection, lenders can **fortify their loan portfolio against delinquency** by insulating their lienholders from unforeseen circumstances that could affect their ability to make loan payments.

Don't feel like your only course of action to combat delinquency levels is to raise rates. **Pair your loans with consumer protection products.** They will help protect your loan portfolio, while also protecting your lienholders and providing your dealership partners with the ability to make additional F&I income.