



Open Lending Extends Program to Older Vehicles to Support Today's Car Buyer

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With the average age of vehicles financed jumping from 5.4 to 6.4 years for FICO scores below 640, vehicle age expansion enables auto loan growth in an uncertain market

AUSTIN, Texas--(BUSINESS WIRE)--Feb. 9, 2023-- Open Lending Corporation (NASDAQ: LPRO) ("Open Lending" or "the Company"), an industry trailblazer in auto lending enablement and risk analytics solutions for financial institutions, today announced it has increased its allowable vehicle age from nine to eleven years. Powered by Lenders Protection™, this increase in vehicle age builds on Open Lending's commitment to make car ownership more accessible for those in near and non-prime credit segments. The change also allows financial institutions to grow their portfolios while maintaining protection through Open Lending's default insurance and risk management program.

Driven by pandemic-induced supply chain disruptions, vehicle affordability issues have prompted many car shoppers to purchase older vehicles. With Open Lending's expanded vehicle age limits, financial institutions can engage a wider range of borrowers by offering risk-mitigated loans on longer terms for more used vehicles at affordable price points.

"As chronic inflation and supply chain issues persist, Open Lending is committed to supporting our lenders and serving underserved borrowers," said Chief Revenue Officer Matt Roe. "Although used car prices have begun to recede from all-time highs and record increases, valuations remain inflated. With our risk mitigation offering, lenders can boost loan originations and seed new borrower relationships — and borrowers, particularly those who are underserved, are able to pursue better lives and careers through car ownership. Under our new vehicle age terms, these relationships can flourish even in constrained market conditions."

According to [S&P Global data](#), car shoppers with FICO scores below 640 are driving demand for financing on older vehicles: From 2020 to 2022, the average age of vehicles financed in this credit segment jumped from 5.4 years to more than 6.4 years. In the coming years, lenders can expect to see this trend continue.

"In today's macroeconomic climate, buyers are happy to choose an older vehicle if it means monthly payments that fit within their household budget," says Michael Higgins, AVP, Underwriting at Space Coast Credit Union. "With Open Lending's expanded product offering, we now have a better chance of meeting the needs of our members."

Launched in 2003, Lenders Protection™ offers consolidated analytics and insurance solutions to help credit unions, banks, automotive finance and refinance companies, and OEM captive lenders originate and insure near and non-prime auto loans. To learn more about Open Lending and its Lenders Protection™ program, 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 Open Lending has powered Lenders Protection™ to empower credit unions, banks, automotive finance and refinance companies, and OEM captive lenders to create profitable auto loan portfolios by saying "yes" to more automotive loans. Open Lending has enabled over 400 financial institutions to drive more than \$16 billion in risk-mitigated auto loan growth since its inception. For more information, please visit www.openlending.com.

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