

AUTOFINANCENEWS

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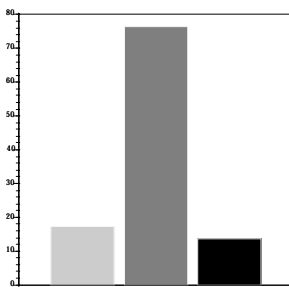
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AUTO ABS VOL.



in billions as of 3/8

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WILL TRIAD, PRIMUS BE FORD'S NEXT TARGETS FOR MERGE?

Speculation is mounting that one Ford Motor Co. finance unit, Primus Automotive Financial Services, will be absorbing another, Triad Financial Corp.

The rumor has picked up steam since Ford Motor Co. announced a similar move — that Ford Motor Credit Co. would swallow up its nonprime auto lending subsidiary, Fairlane Credit LLC. Talk of a comparable fate for Triad started swirling late last year when Ford announced that higher chargeoffs and delinquencies at its credit unit would force it to shore up reserves by several hundred million dollars.

Triad, based in Huntington Beach, Calif., is Ford's nonprime lender to buyers of non-Ford vehicles, while Primus, based in Franklin, Tenn., makes the prime loans to these non-Ford buyers.

Ford Motor said it was closing Fairlane because that unit was competing for the same loans as Ford Credit — a condition that would seem equally to apply to Triad and Primus.

Officially, however, a Ford spokesman said there are “no plans to integrate Triad into Primus right now.”

“We will be looking at all options going forward, looking at every part of the business and asking, ‘How does it create shareholder value?’” he said.

Right now, Triad “works better as a standalone company,” he added.

Ford Credit acquired Triad in mid-1999 in order to provide nonprime loans to non-Ford dealers. Primus, its prime-lending counterpart, provides private-label financing for **Jaguar Cars North America, Land Rover of North America Inc., and Mazda North American Operations**, among others. Over time, though, Primus has moved into lower credit tiers.

NISSAN ACCEPTANCE TO TAKE LEASING IN-HOUSE, ENDING CHASE, BOCC RELATIONSHIPS

Nissan Motor Acceptance Corp. will stop originating leases though **Chase Automotive Finance Corp.** and **Banc One CreditCorp.** on April 1 after sustaining losses in the two-year venture. Since 2000, Chase and BOCC have been originating some leases on NMAC's behalf, in the eastern and central regions of the U.S., respectively.

NMAC originally formed this alliance as a way to offer leases to car buyers without having to take on the residual risk associated with those leases. But the cost of keeping its lease prices competitive through this venture, in the end, outweighed the benefits of the lower risk.

“That’s why we are not doing it anymore,” said a spokeswoman for **Nissan North America Inc.**, NMAC's U.S. parent company based in Gardena, Calif.

NMAC would not quantify the extent of its losses related to the lease program. Its auto finance portfolio totals about \$6 billion, 70% of which — or \$4.2 billion — are loans, according to *AutoFinance News* data.

The leasing programs were aimed at bolstering Nissan's sales by offering more financing opportunities for customers, the spokeswoman said.

“Our business strategy is totally different from what it used to be,” she said. “Cars are always being offered with incentives. [For a time,] we went along with it to keep up the sales volume. But now, we have cut back a lot on incentives” and sales are still up, she added.

Last month, Nissan North America sold 58,328 vehicles, up 8.2% from 53,893 in February 2001.

By doing all leasing in-house, Nissan will be

triarc ad

People

CHASE AUTO HIRES BANC ONE'S BRODERICK TO HEAD COLLECTIONS

Chase Automotive Finance Corp. hired **Sandra Broderick** to the newly created position of senior vice president in charge of asset remarketing and collections.

Broderick has been serving as director of retail portfolio management for Banc One Credit Co. for the last three-and-a-half years. She will begin at Chase on March 18, reporting to the auto unit's president, **Norman Buchan**.

Broderick said she changed positions for both personal and professional reasons. Chase's portfolio is "larger" than Banc One's \$22 billion portfolio, Broderick said, though she would not specify its size. A larger portfolio may translate to a bigger challenge, as far as collections are concerned. Also, the move gets Broderick "back on the East Coast," closer to her family in Buffalo, N.Y.

For the near term, challenges at Chase will include "becoming familiar with its portfolio and the culture of its organization," she said. "It is a very well-run group."

Broderick hopes to "bring to the table" some of the strategies she has implemented during her tenure at Banc One, including increasing its reliance on technology to determine the most effective times to contact debtors and to maximize collector productivity. While those types of computer systems are available for purchase fairly readily, that is not the case with systems geared toward auto remarketing and lease end-of-term. In those two sectors, Broderick spearheaded programs at Banc One to develop from scratch programs designed to bolster returns.

Prior to joining Banc One Credit, Broderick served as collection and servicing manager for **GE Capital Corp.**'s Auto Financial Services and as national collection manager and loss-mitigation operations manager for **Marine Midland Automotive Finance Corp.** She has also held various collection and credit positions at **Ford Motor Credit Co.**

BOCC is the indirect financial services

division of **Bank One Corp.**, specializing in dealer-originated consumer auto and recreation-vehicle financing. It falls within Bank One's retail lending division.

Separately, auction company **Adesa Corp.** hired **Charles Tapp**, one of the employees who reports to Broderick, as vice president of sales.

Tapp, who starts at Adesa next month, will be responsible for developing sales initiatives to increase profitability for the Indianapolis company. He will report to **Tony Moorby**, an Adesa executive vice president.

At Banc One, Tapp was a first vice president and remarketing manager, where he was responsible for reselling about 150,000 used cars annually. Prior to joining Banc One, Tapp served as national director of fleet operations for **Alamo Rent-a-Car Inc.**

He has also held positions at **Greater Auction Group Inc.**, **Driver's Mart Worldwide Inc.**, and **SourceOne/PrimeSource LLC.**

The timing of Broderick's and Tapp's moves was "coincidental," Broderick said.

Banc One has not named replacements for Broderick or Tapp, though the former's replacement will likely come from outside the company, she said.

The moves come just weeks after the March 1 retirement of **Edward Tinsley**, BOCC's president. Tinsley is not being replaced; instead, **William C. Jensen**, dealer retail services manager, and **Sandra Schrock**, president of Bank One Consumer Lending, have assumed his responsibilities.

JM FAMILY PROMOTES TWO

JM Family Enterprises Inc. promoted **Scott Barrett** and **Brent Burns** to executive vice presidents. They will retain their respective positions as chief information officer and

FINDING SUNSHINE

What are two words remarketers don't want to hear?

Daewoo and **Kia**.

Remarketers continue to find it tough to unload these two foreign name-plates — except in Florida. Lenders say they are finding luck remarketing Daewoos and Kias in the Sunshine State.

"It's about the only place in the U.S. having success remarketing Daewoos, and Kias, too," one lender said.

Other cars remarketers continue to have difficulties selling: **Suzukis** and **Hyundais**.



Charles Tapp

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People

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Jonathan S. Hornblase
EXECUTIVE EDITOR/PUBLISHER
hornblase@rmgdigital.com

Marcie D. Belles
MANAGING EDITOR
mdblles@rmgdigital.com

Marianne Sullivan
ASSOCIATE EDITOR
msullivan6@cs.com

Mike Gibb
CONTRIBUTING EDITOR
mgibb@rmgdigital.com

Craig J. McGuire
CONTRIBUTING EDITOR
cmcguire@rmgdigital.com

Tracy McNamara
CONTRIBUTING EDITOR
tmcnamara@rmgdigital.com

Andy Sharifi
ADVERTISING & MARKETING
asharifi@rmgdigital.com

Meredith Krantz
OPERATIONS
mkrantz@rmgdigital.com

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www.LendingIntelligence.com
Tel: (212) 206-8000
Fax: (212) 206-0609
Email: info@royalnews.com

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JM FAMILY PROMOTIONS

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president of finance arm World Omni Financial Corp. Prior to the EVP appointments, both Barrett and Burns were senior vice presidents of JM Family.

Barrett, who joined the Deerfield Beach, Fla., company last July, is responsible for the development, implementation, and operation of JM Family's technology and information systems.

As part of his promotion, Burns will be in charge of overseeing third-party servicing unit Center One Financial Services and Toyota dealership group Southeast Toyota Distributors LLC.

JM Family Enterprises also has a warranty and insurance subsidiary called JM&A Group.

DeFrancesco, Martin A. Stein, and Guy Veni to an advisory board which will recommend improvements to the technology company's auto loan software. Perceptant's software, which will become available for sale next quarter, brings together the data in all of a financier's loan-related systems and presents it in an easy-to-understand format, in real-time.

DeFrancesco founded **Credit Management Solutions Inc.**, a provider of credit-decisioning software to financial institutions, and **American Financial Corp.**, and auto finance company which was sold in 1987.

Stein was formerly vice chairman for technology and operations at **Bank of America Corp.** He has served as executive vice president and chief information officer of **UBS PaineWebber Inc.** and of **FleetBoston Financial Corp.**, and is currently president of **Sonoma Mountain**

PERCEPTANT FORMS ADVISORY BOARD

Perceptant, Austin, Texas, named **Jim**

Continued on page 15

REGIONAL AND NATIONAL AUTO LOAN RATES

Rates are for 60-month loans on 2001-2002 new autos and one-year-old used autos. For purposes of this survey, borrowers are considered to have A+ credit if their scores on auto-specific models of combined credit reporting bureaus exceeds 720; A if their scores fall between 680 and 719; B, 650 and 679; and C, 625 and 649. For lender-specific rate and fee information, contact Bob Johnston at INFORMAT

RESEARCH SERVICES INC. at 800-848-0218 x291.

NEW AUTOMOBILE RATES

	A+	A	B	C	Nat'l Avg.
Northeast	5.50	5.73	6.58	8.01	6.46
Southeast	5.64	5.87	6.89	8.82	6.81
Central Midwest	5.73	5.73	6.85	9.35	6.91
TX & Southwest	5.76	5.99	7.62	9.81	7.30
Western	5.87	5.93	6.94	9.37	7.03
Northwest	6.61	6.80	7.91	9.69	7.75
Tier Avg. Rate	5.85	6.01	7.13	9.18	7.04

USED AUTOMOBILE RATES

	A+	A	B	C	Nat'l Avg.
Northeast	5.53	5.76	6.65	8.06	6.50
Southeast	5.71	5.94	6.93	8.93	6.88
Central Midwest	5.88	5.89	6.88	9.38	7.00
TX & Southwest	5.88	6.09	7.68	9.90	7.39
Western	6.09	6.17	7.09	9.35	7.17
Northwest	6.65	6.84	7.94	9.70	7.79
Tier Avg. Rate	5.96	6.11	7.19	9.22	7.12

Source: Informa Research Services Inc., 800-848-0218

*as of 3/11

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NEW

Captives

CALENDAR

April 21-23

The American Bankers Association sponsors "Financial Services Customer Conference" at the Renaissance Vinoy Resort & Golf Club in St. Petersburg, Fla. 800-BANKERS or www.aba.com.

April 24-26

SA Conferences Group offers "Auto Remarketing Canada 2002" at the Mississauga Convention Centre in Mississauga, Ontario. 800-608-7500 or www.sa-conferences.com.

May 26-28

World Trade Group holds a Financial Services Technology Summit at the Sheraton Hotel & Towers Conference Center in Frankfurt, Germany. +44 (0)20-7566-4800 or www.fst.worldtradeco.com.

June 6-8

The National Association of Retail Collection Attorneys sponsors its Spring Collection Conference at the Grand Hyatt Washington in Washington, D.C. 800-233-1234 or www.narca.org.

June 12-14

The Consumer Bankers Association hosts its 4th annual collections conference at the Hershey Lodge & Convention Center in Hershey, Pa. 703-276-1750 or www.cbanet.org.

June 16-18

The Financial Managers Society Inc. hosts "The Finance & Accounting Forum for Financial Institutions" at the Gaylord Palms Resort & Conference Center in Kissimmee, Fla. 407-586-2000.

TRIAD-PRIMUS MERGE?

continued from page 1

According to the official version, an overlap in lending practices at Ford Credit and Fairlane led to the merging of the two units. In the five years since Fairlane was created, Ford Credit — like Primus — has begun encroaching on Fairlane's territory of providing loans to borrowers with nonprime credit. In fact, some dealers have said that Ford Credit's loan-underwriting criteria have fallen below Fairlane's.

"Ford Credit has bought contracts that Fairlane has turned down," said Corbin Rusch, finance director of **Crescent Ford Inc.**, in High Point, N.C.

If overaggressive underwriting is to blame for the losses that have been plaguing Ford Credit, then Triad and Primus would be perfect candidates for some belt-tightening, according to some. A

report penned earlier this year by **Fitch Ratings** analysts Christopher D. Wolfe and Thomas J. Abruzzo pinpointed the bulk of the captive's losses to its non-Ford business.

"Losses appear to be concentrated in the company's non-Ford brand used car financing," according to the report.

The Fairlane-Ford Credit move is part of the carmaker's attempt to limit exposure to bad loans, which have been the source of lower earnings and mounting loan losses.

"The move to fold Fairlane into Ford Credit is an extension of their plan to de-emphasize the higher risk business," said Scott Sprinzen, a managing director of corporate ratings at **Standard & Poor's Corp.**, New York.

In January, Ford Credit said it would try to minimize its "exposure to higher risk loans, reduce the number of long-term financing contracts we originate, and we might be raising our loan-to-value standards."

Sprinzen would not comment on the future of Triad or Primus, though.

Ford has been under pressure lately to bolster earnings. Rapidly rising chargeoffs and repossession rates at Ford Credit have forced it to boost reserves by several hundred million dollars and report a \$297 million loss in the fourth quarter of last year, its first quarterly loss ever. By comparison, Ford Credit earned \$410 million of earnings in the final quarter of 2000.

The Fairlane closure, which is slated for July, is designed to eliminate duplicate processes resulting from the competition between the two units, not a result of mounting losses at Fairlane, a company spokesman said.

"Losses appear to be concentrated in the company's non-Ford brand used car financing."

Fitch Ratings report

While losses at Fairlane are proportionally higher than those at Ford Credit, "you would expect the subprime

category to have that effect," the spokesman said. While both Fairlane and Ford Credit originate nonprime auto loans, Fairlane's portfolio is 100% nonprime, while Ford Credit's is only about 10% nonprime.

Still, Fairlane's portfolio is only 1% the size of Ford Credit's; its losses total 5% or 6% of the captive's, he said. Last year, Fairlane originated 113,000 loans compared with 3.5 million for Ford Credit.

For the past 15 months, a committee formed to analyze Ford's high-risk lending businesses, has been reviewing Fairlane's operations. It concluded that Ford could more efficiently service its nonprime customers by integrating Fairlane's operations into Ford Credit's. To that end, Fairlane's 360 employees will be relocated to its service centers in Colorado Springs or Nashville, Tenn. Others may be repositioned within Ford Credit. Fairlane's president, Jerry Heimlicher, is expected to work "within Ford Credit, in some capacity,"

Continued on page 11

Remarketing

VEHICLES FROM NO-INTEREST FINANCING DEALS EXPECTED TO CROWD AUCTION LANES

The number of cars headed for remarketing is expected to increase over the next few years as vehicles from 0% financing offers start heading for the auction block.

"Even though they are sold, not leased, I still think they are going to come back," said Marianne Hynes, president of **CARS Remarketing Inc.**, a Laguna Beach, Calif., service provider.

Hynes said other factors, such as the fact that nearly half of the vehicles currently being remarketed are less than three years old, points to a troubling time in the business of reselling cars after leases expire. The trend is particularly noteworthy since many lessors look to remarketing for lease profits.

"Dealers know that there are a lot of cars

out there," which is depressing auction results, she said.

Hynes made her comments during the recent Subprime Summit 2002 in Scottsdale, Ariz. The event was cosponsored by *Auto Finance News*.

To combat the rising flow of cars headed to auction, CARS Remarketing is sending off-lease, 4x4 pickup trucks to the Pacific Northwest for remarketing, because they are getting better pricing there. Hynes said even pickups in Texas are being shipped to the Pacific Northwest.

One bright spot in remarketing is sport-utility vehicles. Generally, demand for sport-utility vehicles has climbed since the Sept. 11 tragedy, she said.

"Dealers cannot stock enough trucks and SUVs," she said.

CARS Remarketing recommends against remarketing vehicles via the internet, because the results are poor. Although, Hynes said CARS Remarketing is finding "amazing" success at auction houses, such as **Indiana Auto Auction** [www.fwaa.com], that use the Online Ringman technology, an electronic auctioning system. Hynes said 70% of the cars it remarkets at Online Ringman-equipped auction companies get more bids than at auctions without an online-bidding option, particularly in places with inclement weather.

Online Ringman is a product of **Auction Management Solutions**, Tampa, Fla. [www.auctionsolutions.com].

NISSAN LEASING

continued from page 1

able to increase its customer base and become "much more focused in terms of brand strategy and marketing strategy," she said.

NMAC already has other brand-boosting initiatives in place. The captive expects to launch separate web sites for its dealers and customers within the year in a move intended to improve relationships with both groups.

THE ROOT OF THE LOSSES

NMAC's agreements with Chase and BOCC stipulated that it would reimburse them for any losses incurred by offering leases at NMAC's price. In other words, NMAC would pay the two companies for the difference in the cost it required them to make the lease, compared to the price they charged the customer. That is, if NMAC and Chase decided to offer leases on Maximas with

payments of \$350 per month, but it cost Chase \$369 per month to maintain the lease, NMAC would reimburse Chase the \$19 monthly difference. On a three-year lease, that would result in compensation to Chase of \$684. For NMAC, it was the cost of keeping its deals competitive.

NMAC had a similar lease-origination relationship with debis Financial Services on the West Coast, until the **DaimlerChrysler AG** unit decided to exit certain auto finance sectors in late 2000.

NMAC began the leasing partnerships with Banc One and Chase in April 2000, six months after announcing a massive restructuring plan aimed at bolstering falling marketshare, reducing debt, and cutting costs worldwide by \$9 billion.

In 1998, before entering into the venture with Banc One and Chase, the carmaker lost \$676.7 million related to auto-lease

residuals on its U.S. leasing portfolio for the year ending March 31, 1998. At the time, about 35% of NMAC's business was leasing. That ratio is down to 30% now, where it will likely stay, the company spokeswoman said.

Estimating residual values — what a vehicle will be worth at the end of the lease term — has been a difficult task for many financiers, Nissan included. By not being responsible for the residual risk, Nissan would not be required to cover losses resulting from cars being remarketed for fees lower than anticipated. In 2000, the average residual loss per vehicle was more than \$2,000, according to the **Consumer Bankers Association**. Differences in cost on the front end of the lease, like the monthly payment, might range in the hundreds of dollars, according to *Auto Finance News* estimates.

TOP 50 CREDIT UNIONS IN 4Q01, BY TOTAL AUTO LOANS OUTSTANDING

Rank	Credit Union	City	ST	New Car Loans \$Out*	New Car IR%	Used Car Loans \$Out*	Used Car IR%	Total Auto Loans #Out	Total Auto Loans \$Out*
1	Navy	Merrifield	VA	\$1,558,330	6.5	\$1,622,729	7.5	291,000	\$3,181,058
2	Security Service	San Antonio	TX	735,170	5.4	641,331	5.4	105,808	1,376,501
3	State Employees	Raleigh	NC	416,042	6.5	823,002	6.75	124,977	1,239,044
4	The Golden 1	Sacramento	CA	609,148	6.25	449,659	6.55	87,881	1,058,807
5	Pentagon	Alexandria	VA	496,618	5.9	548,981	6.49	86,809	1,045,598
6	Suncoast Schools	Tampa	FL	629,861	6.4	94,500	7.4	61,662	724,361
7	San Antonio	San Antonio	TX	428,022	5.9	220,912	5.9	49,647	648,935
8	Boeing Employees	Tukwila	WA	346,621	7.25	269,053	7.75	53,997	615,674
9	Patelco	San Francisco	CA	206,853	6.9	392,874	6.9	47,700	599,727
10	Orange Cnty Tchrs	Santa Ana	CA	273,457	6.25	274,496	8.25	50,565	547,953
11	Desert Schools	Phoenix	AZ	358,046	7.75	181,219	8.75	43,510	539,266
12	American Airlines	Dfw Airport	TX	269,002	8	267,558	8	43,864	536,560
13	Bellco	Englewood	CO	220,353	6.25	303,131	6.25	39,484	523,484
14	America First	Ogden	UT	164,162	5.5	353,781	5.5	54,465	517,943
15	Penn. State Empl.	Harrisburg	PA	286,808	5.99	219,805	7.49	50,762	506,613
16	Texans	Richardson	TX	316,595	6.7	173,091	6.7	37,540	489,686
17	Kinecta	Manhattan Bch	CA	222,520	5.99	261,909	6.99	37,464	484,429
18	Citizens Equity First	Peoria	IL	386,020	6.25	91,245	7.25	44,265	477,265
19	Wescom	Pasadena	CA	211,198	5.99	238,463	7.24	36,230	449,661
20	Omniamerican	Fort Worth	TX	284,338	6.45	159,822	8.5	29,721	444,160
21	Kern Schools	Bakersfield	CA	309,361	7.5	129,609	9.5	31,111	438,970
22	Community	Plano	TX	205,237	5.99	233,134	5.99	33,505	438,370
23	Arizona	Phoenix	AZ	272,150	6.5	164,325	7	32,914	436,475
24	Macdill	Tampa	FL	205,520	5.9	217,650	6.25	36,653	423,169
25	Schools Financial	Sacramento	CA	140,611	5.75	282,108	5.95	35,543	422,719
26	Alaska Usa	Anchorage	AK	176,986	6.9	241,395	6.9	34,697	418,381
27	Amer. Electronics	Sunnyvale	CA	285,221	7.5	125,302	7.99	37,618	410,523
28	Jax Navy	Jacksonville	FL	242,093	6	167,828	7	36,811	409,921
29	Randolph-brooks	Universal City	TX	283,025	5	113,113	5.25	34,646	396,138
30	Gov't Empl. CU	El Paso	TX	318,209	6.25	68,101	7.9	34,955	386,310
31	North Island Fin'l	San Diego	CA	125,228	6.82	234,215	7.28	31,500	359,443
32	Gte	Tampa	FL	175,733	5.5	183,166	5.5	31,042	358,899
33	Digital	Marlborough	MA	158,065	6.2	200,748	6.2	36,762	358,814
34	Truliant	Winston-salem	NC	270,214	5.75	75,713	6.75	28,716	345,927
35	Delta Employees	Atlanta	GA	129,773	7	206,237	7	32,450	336,010
36	Mountain America	Salt Lake City	UT	102,490	6.25	230,554	6.25	31,423	333,045
37	Affinity Plus	St. Paul	MN	129,795	5.9	199,351	7	29,863	329,146
38	Eastern Fin'l Florida	Miramar	FL	190,118	9.19	136,169	9.55	26,412	326,287
39	San Diego County	San Diego	CA	148,531	5.5	175,314	6.25	27,143	323,845
40	Tinker	Tinker Afb	OK	118,472	8.95	201,938	9.2	32,436	320,410
41	Teachers	South Bend	IN	123,774	5.72	189,014	5.72	27,368	312,788
42	Redwood	Santa Rosa	CA	120,321	5.65	189,511	5.65	24,783	309,833
43	Pacific Service	Walnut Creek	CA	129,604	5.79	178,237	5.79	22,931	307,841
44	Portland Teachers	Portland	OR	205,391	6.75	102,242	7.75	28,547	307,633
45	Lockheed	Burbank	CA	135,820	5.99	156,322	6.75	23,644	292,142
46	United Air. Empl.	Chicago	IL	150,516	6.9	139,280	7.5	25,629	289,796
47	Redstone	Huntsville	AL	131,559	6.75	155,391	6.75	28,481	286,951
48	First Community	Ellisville	MO	126,232	6.43	157,211	7.01	23,938	283,443
49	Travis	Vacaville	CA	136,625	8.41	140,789	9.18	23,153	277,413
50	H. P.	Palo Alto	CA	147,635	6.5	129,258	7	22,363	276,894
Total Top 50.....				\$13,813,473.....		\$12,710,786.....		2,284,388.....	\$26,524,261
Total Top 100.....				\$18,543,879.....		\$18,092,742.....		3,204,228.....	\$36,636,608

*all dollars in thousands

datascan ad:
swiss-army knife

TOP 20 CREDIT UNIONS IN 4Q01, BY NEW AUTO LOANS OUTSTANDING

Rank	Credit Union	ST	New Car Loans \$Out*	New Car Loans #Out	New Car IR%	Total Auto Loans #Out	Total Auto Loans \$Out *	New As % of Total \$Out.
1	Navy	VA	\$1,558,330	107,305	6.5	291,000	\$3,181,058	49.0
2	Security Service	TX	735,170	46,826	5.4	105,808	1,376,501	53.4
3	Suncoast Schools	FL	629,861	47,440	6.4	61,662	724,361	87.0
4	The Golden 1	CA	609,148	40,377	6.25	87,881	1,058,807	57.5
5	Pentagon	VA	496,618	32,944	5.9	86,809	1,045,598	47.5
6	San Antonio	TX	428,022	29,248	5.9	49,647	648,935	66.0
7	State Employees	NC	416,042	29,671	6.5	124,977	1,239,044	33.6
8	Citizens Equity First	IL	386,020	30,944	6.25	44,265	477,265	80.9
9	Desert Schools	AZ	358,046	23,207	7.75	43,510	539,266	66.4
10	Boeing Employees	WA	346,621	24,786	7.25	53,997	615,674	56.3
11	Gov't Empl. of El Paso	TX	318,209	22,303	6.25	34,955	386,310	82.4
12	Texans	TX	316,595	20,877	6.7	37,540	489,686	64.7
13	Kern Schools	CA	309,361	17,077	7.5	31,111	438,970	70.5
14	Penn. State Empl.	PA	286,808	26,352	5.99	50,762	506,613	56.6
15	Amer. Electronics Assn	CA	285,221	22,922	7.5	37,618	410,523	69.5
16	Omniamerican	TX	284,338	18,084	6.45	29,721	444,160	64.0
17	Randolph-brooks	TX	283,025	20,472	5	34,646	396,138	71.4
18	Orange Cnty Tchrs	CA	273,457	19,289	6.25	50,565	547,953	49.9
19	Arizona	AZ	272,150	15,778	6.5	32,914	436,475	62.4
20	Truliant	NC	270,214	18,582	5.75	28,716	345,927	78.1

TOP 20 CREDIT UNIONS IN 4Q01, BY USED AUTO LOANS OUTSTANDING

Rank	Credit Union	ST	Used Car Loans \$Out*	Used Car Loans #Out	Used Car IR%	Total Auto Loans #Out	Total Auto Loans \$Out *	Used As % of Total \$Out.
1	Navy	VA	\$1,622,729	183,695	7.5	291,000	\$3,181,058	51.0
2	State Employees	NC	823,002	95,306	6.75	124,977	1,239,044	66.4
3	Security Service	TX	641,331	58,982	5.4	105,808	1,376,501	46.6
4	Pentagon	VA	548,981	53,865	6.49	86,809	1,045,598	52.5
5	The Golden 1	CA	449,659	47,504	6.55	87,881	1,058,807	42.5
6	Patelco	CA	392,874	34,400	6.9	47,700	599,727	65.5
7	America First	UT	353,781	43,369	5.5	54,465	517,943	68.3
8	Bellco	CO	303,131	25,821	6.25	39,484	523,484	57.9
9	Schools Financial	CA	282,108	26,149	5.95	35,543	422,719	66.7
10	Orange Cnty Tchrs	CA	274,496	31,276	8.25	50,565	547,953	50.1
11	Boeing Employees	WA	269,053	29,211	7.75	53,997	615,674	43.7
12	American Airlines	TX	267,558	25,787	8	43,864	536,560	49.9
13	Kinecta	CA	261,909	22,535	6.99	37,464	484,429	54.1
14	Alaska Usa	AK	241,395	23,916	6.9	34,697	418,381	57.7
15	Wescom	CA	238,463	21,747	7.24	36,230	449,661	53.0
16	North Island Fin'l	CA	234,215	22,852	7.28	31,500	359,443	65.2
17	Community	TX	233,134	19,918	5.99	33,505	438,370	53.2
18	Mountain America	UT	230,554	24,842	6.25	31,423	333,045	69.2
19	San Antonio	TX	220,912	20,399	5.9	49,647	648,935	34.0
20	Penn. State Empl.	PA	219,805	24,410	7.49	50,762	506,613	43.4

*all dollars in thousands

Captives

TRIAD'S FATE

continued from page 6

despite some published reports that he will retire, the spokesman said.

The "integration" of Fairlane into Ford Credit is meant to eliminate competing brands in the marketplace, enhance long-term profitability, and drive more efficiencies, the Ford Credit spokesman said. For example, currently a dealer can submit a loan application to both Fairlane and Ford Credit. Both units would then have employees entering the loan data into their systems, in essence, duplicating the work. By eliminating this double-entering of data, Ford Credit could improve profitability.

"They will realize some operating efficiencies by having it be one organization," S&P's Sprinzen said.

Fairlane will not disappear, though. On the contrary, its business philosophy of "graduat-

ing" borrowers who consistently make their loan payments on time to a higher credit tier will be implemented at Ford Credit, the spokesman said.

But merging Triad's operations into Primus's may not be the only choice for the two units. Some industry insiders have suggested that Triad is up for sale, while others have mentioned the possibility of completing a securitization then spinning the unit off. By securitizing its loans, Triad would then create a means for funding its new loan originations.

Not everyone is convinced that Ford will resort to spinning the unit off less than three years after acquiring it.

"When you spin something off, it's to enhance shareholder value," said one New York investment banker. "How would spinning off Triad enhance Ford Credit?"

INDUSTRY OUTLOOK POOR, FINANCIER SURVEY FINDS

Lenders are anticipating a less favorable lending environment over the next several months, according to the results of a survey conducted by *LendingIntelligence.com*, *Auto Finance News's* sister web site.

According to the quarterly Lender Confidence Survey, most lenders said they expect total loan originations, in dollars, to be lower over the next six months, compared with the same period a year ago. They also said they anticipate that borrowers will increase their debtloads and that overall loan delinquency levels at the end of the next six months will be higher than they were during the same period last year.

Despite the poor outlook, lenders said they see the overall economy recovering soon and their own companies' prospects to be better than they were at the end of the last Lender Confidence Survey, which was released on Oct. 31.

informa ad

INCENTIVE MONITOR

DAEWOO

Financing for new 2001 Leganza, Nubira, and Lanos:

Model	Cash Back	24 Mos.	36 Mos.	48 Mos.	60 Mos.
Lanos S	\$1,000	0%	0%	2.9%	5.9%
Lanos Sport	\$1,500	0%	0%	2.9%	5.9%
Nubira Wagon	\$1,500	0%	0%	2.9%	5.9%
Nubira CDX	\$1,750	0%	0%	2.9%	5.9%
Nubira SE	\$1,500	0%	0%	2.9%	5.9%
Leganza CDX	\$2,500	0%	0%	2.9%	5.9%
Leganza SX	\$2,000	0%	0%	2.9%	5.9%
Leganza SE	\$1,750	0%	0%	2.9%	5.9%

Financing for new 2002 Leganza, Nubira, and Lanos:

Model	Cash Back	24 Mos.	36 Mos.	48 Mos.	60 Mos.
Lanos S	\$500	—	—	—	—
Lanos Sport	\$500	—	—	—	—
Nubira CDX	\$750	—	—	—	—
Nubira SE	\$750	—	—	—	—
Leganza CDX	\$1,000	—	—	—	—
Leganza SE	\$750	—	—	—	—

FORD

2002 model incentives

Model	Cash Back	36 Mo.	48 Mo.	60Mo.
Windstar	\$2,500	0%	0.9%	2.9%
F-150 (excl Super Crew)	\$2,500	0%	2.9%	3.9%
F-150 Super Crew	\$1,000	0%	2.9%	3.9%
F-Series Super Duty	\$1,000	0%	2.9%	3.9%
Expedition	\$2,500	0%	2.9%	3.9%
Explorer (4-door)	\$1,500	0%	2.9%	3.9%
Explorer Sport (2-door)	\$2,500	0%	2.9%	3.9%
Explorer Sport Trac	\$2,000	0%	2.9%	3.9%
Econoline E-150	\$2,000	0%	0.9%	2.9%
Taurus	\$2,000	0%	2.9%	3.9%
Ranger	\$2,000	0%	2.9%	3.9%
Excursion	\$2,000	0%	2.9%	3.9%
Crown Victoria	\$2,000	0%	2.9%	3.9%
Focus	\$1,500	0%	0.9%	2.9%
Mustang (V6)	\$1,500	0%	2.9%	3.9%

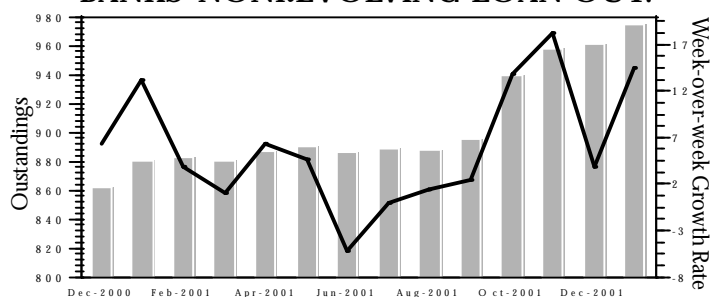
GENERAL MOTORS

2002 model incentives

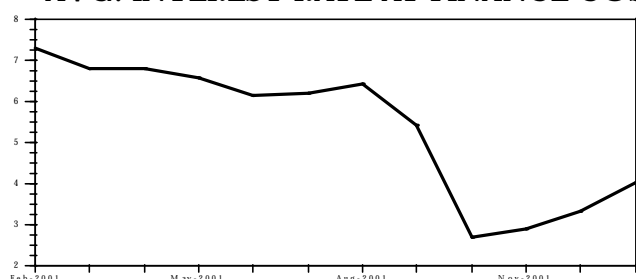
Model	Cash Back	36 Mo.	48 Mo.	60Mo.
Prizm	\$2,002	0.9%	2.9%	3.9%
Cavalier	\$2,002	0.9%	2.9%	3.9%
Sunfire	\$2,002	0.9%	2.9%	3.9%
Camaro (all models)	\$2,002	0.9%	2.9%	3.9%
Firebird (all models)	\$2,002	0.9%	2.9%	3.9%
Alero	\$2,002	0.9%	2.9%	3.9%
Grand Am	\$2,002	0.9%	2.9%	3.9%
Malibu	\$2,002	0.9%	2.9%	3.9%
Impala	\$2,002	0.9%	2.9%	3.9%
Century (all models)	\$2,002	0.9%	2.9%	3.9%
Monte Carlo	\$2,002	0.9%	2.9%	3.9%
Grand Prix	\$2,002	0.9%	2.9%	3.9%
Intrigue	\$2,002	0.9%	2.9%	3.9%
Regal (all models)	\$2,002	0.9%	2.9%	3.9%
Bonneville	\$2,002	0.9%	2.9%	3.9%
LeSabre	\$2,002	0.9%	2.9%	3.9%
Park Avenue	\$2,002	0.9%	2.9%	3.9%
Aurora	\$2,002	0.9%	2.9%	3.9%
S-10 (all models)	\$2,002	0.9%	2.9%	3.9%
Sonoma (all models)	\$2,002	0.9%	2.9%	3.9%
Silverado Reg Cab	\$2,002	0.9%	2.9%	3.9%
Silverado Ext Cab	\$1,500	0.9%	2.9%	3.9%
Silverado Crew Cab	\$1,500	0.9%	2.9%	3.9%
Sierra Reg Cab	\$2,002	0.9%	2.9%	3.9%
Sierra Ext Cab	\$1,500	0.9%	2.9%	3.9%
Sierra Crew Cab	\$1,500	0.9%	2.9%	3.9%
Avalanche	\$2,002	0.9%	2.9%	3.9%
Tracker	\$2,002	0.9%	2.9%	3.9%
Blazer (all models)	\$2,002	0.9%	2.9%	3.9%
TrailBlazer	\$1,500	0.9%	2.9%	3.9%
Envoy	\$1,500	0.9%	2.9%	3.9%
Bravada	\$1,500	0.9%	2.9%	3.9%
Aztek	\$1,500	0.9%	2.9%	3.9%
Rendezvous	\$2,002	0.9%	2.9%	3.9%
Tahoe	\$1,500	0.9%	2.9%	3.9%
Yukon	\$1,500	0.9%	2.9%	3.9%
Yukon XL	\$1,500	0.9%	2.9%	3.9%
Chevy Suburban	\$1,500	0.9%	2.9%	3.9%
Venture	\$2,002	0.9%	2.9%	3.9%
Silhouette	\$2,002	0.9%	2.9%	3.9%
Montana	\$2,002	0.9%	2.9%	3.9%
Astro (all models)	\$2,002	0.9%	2.9%	3.9%
Safari (all models)	\$2,002	0.9%	2.9%	3.9%
Express (all models)	\$2,002	0.9%	2.9%	3.9%
Savana (all models)	\$2,002	0.9%	2.9%	3.9%

MARKET MONITOR

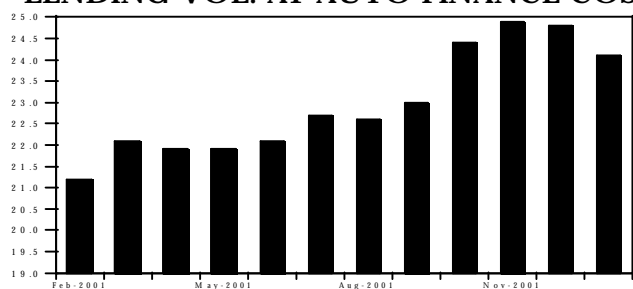
BANKS' NONREVOLVING LOAN OUT.*



AVG. INTEREST RATE AT FINANCE COS.♦

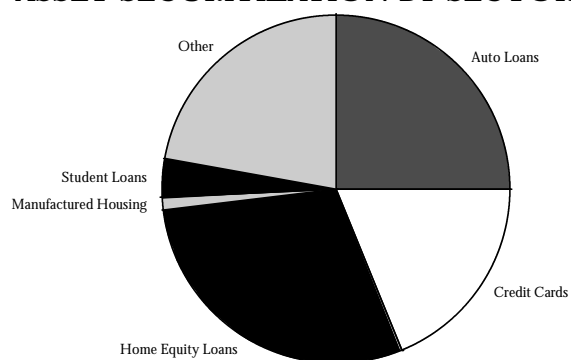


LENDING VOL. AT AUTO FINANCE COS.♦



*IN \$BILLIONS
♦INCLUDES DATA FROM FORD MOTOR CO., GENERAL MOTORS CORP., AND DAIMLERCHRYSLER AG.
SOURCE: FEDERAL RESERVE BOARD

ASSET SECURITIZATION BY SECTOR



TYPE	'02 YTD (%)	'01 YTD (%)
Auto Loans	25.1	25.3
Equipment Loans	0.0	1.9
Credit Cards	18.8	24.1
Home Equity Loans	29.4	19.1
Manufactured Housing	1.0	1.0
Student Loans	3.4	2.6
Other	22.3	26.0

NEW CAR LENDING AT FINANCE COS.♦

Average Maturity*					
August	Sept.	Oct.	Nov.	Dec.	Jan.
57.7	57.2	53.7	51.0	48.6	48.8

Average Loan-to-Value Ratio					
August	Sept.	Oct.	Nov.	Dec.	Jan.
91	92	94	92	91	90

* IN MONTHS
SOURCE: FEDERAL RESERVE BOARD

SECURITIZATION SCOREBOARD

Date	Seller/Servicer	Lead Manager	Amount (\$M)	Enhancement
1/24	Onyx Acceptance Corp.	Credit Suisse First Boston Corp.	375.00	MBIA
2/12	AmeriCredit Corp.	Barclays Capital/CSFB.	1,600.00	FSA
2/25	Chase Auto Finance	J.P. Morgan Securities	2,000.00	senior-sub
3/8	Mitsubishi Motors Credit of America	Morgan Stanley Dean Witter	1,800.00	senior-sub
3/11	Union Acceptance Corp.	Wachovia Securities Inc.	300.00	MBIA
3/12	WFS Financial Inc.	Banc of America Securities	1,800.00	FSA
3/13	National City Corp.	Merrill Lynch & Co.	1,000.00	senior-sub

*indicates private transaction

EQUITIES MONITOR

RECENT PERFORMANCE OF PUBLICLY TRADED AUTO FINANCE COMPANIES

Company	Ticker	Price 3/11	Price 2/27	2-wk ch.(%)	P/E	52-wk Hi	52-wk Lo	Shrs.Out.*	MarketCap.*	Avg Vol
AmeriCredit Corp.	ACF	38.310	22.540	70.0	11.6	64.900	14.000	71,397	2,735,219.1	2,382,000
AutoNation Inc.	AN	14.100	12.300	14.6	19.3	14.300	7.750	468,599	6,607,245.9	1,203,000
CarMax Group	KMX	28.080	26.620	5.5	38.5	29.700	5.100	25,639	719,943.1	525,000
Consumer Portfolio Services	CPSS	1.600	1.400	14.3	n/a	2.187	0.937	20,108	32,172.8	13,000
Credit Acceptance Corp.	CACC	10.400	10.100	3.0	15.3	12.000	4.843	46,113	479,575.2	27,000
FirstCity Financial Corp.	FCFC	1.200	1.100	9.1	n/a	2.000	0.900	9,551,131	11,461,357.2	6,000
First Investors Fin'l Svcs. Grp.	FIFS	3.900	3.200	21.9	n/a	4.000	2.000	5,567	21,711.3	3,000
Household International Inc.	HI	59.160	49.980	18.4	14.5	69.980	43.500	492,408	29,130,857.3	3,605,000
MFN Financial Corp.	MFNE.OB	9.810	8.500	15.4	6.2	10.000	4.500	10,000	98,100.0	32,000
Nicholas Financial Inc.	NICK	3.990	3.900	2.3	5.4	5.725	2.375	2,357	9,404.4	4,000
Onyx Acceptance Corp.	ONYX	4.010	4.170	-3.8	4.8	7.380	3.500	6,159	24,697.6	9,000
TFC Enterprises Inc.	TFCE	1.450	1.530	-5.2	3.4	2.880	0.781	11,290	16,370.5	11,000
Ugly Duckling Corp.	UGLY	3.500	3.500	0.0	n/a	5.590	2.000	12,377	43,319.5	26,000
Union Acceptance Corp.	UACA	5.000	4.750	5.3	n/a	9.450	3.900	30,915	154,575.0	13,000
United PanAm Financial Corp.	UPFC	5.120	4.850	5.6	11.1	6.210	1.125	17,275	88,448.0	14,000
Westar Financial Services Inc.	WEST.OB	0.810	0.750	8.0	n/a	22.750	0.160	2,187	1,771.5	n/a
WFS Financial Inc.	WFSI	23.050	18.370	25.5	10.7	32.970	14.920	28,446	655,680.3	37,000

*in thousands

Largest Gainers Since February 27

Company	2-Week % Change
1) AmeriCredit Corp.	+70.0
2) WFS Financial Inc.	+25.5
3) First Investors Financial Services Group Inc.	+21.9
4) Household International Inc.	+18.4
5) MFN Financial Corp.	+15.4

Biggest Losers Since February 27

Company	2-Week % Change
1) TFC ENterprises Inc.	-5.2
2) Onyx Acceptance Corp.	-3.8

People

PERCEPTANT ADVISORY BOARD

continued from page 5

Ventures, a company that provides strategic and technology consulting services.

Veni was formerly EVP of consumer and commercial lending for **CIT Group**. In that position, he managed the company's mortgage, auto, marine, and recreational vehicle lending programs.

NADA APPOINTS STAFFORD AS FINANCE INDUSTRY ACCOUNT EXECUTIVE

The **National Automobile Dealers Association** hired **Steven D. Stafford** as an account executive for its used car guidebook division, NADA Official Used Car Guide Co. Stafford will be responsible for generating sales and for servicing existing accounts in the financial

services sector.

Among NADA's products and services for auto lenders are its auto-valuation software and web site, as well as auction data.

Prior to joining NADA, Stafford worked for three consumer finance companies.

CAC NAMES ROBERTS TO BOARD

Credit Acceptance Corp. named **Brett A. Roberts** a director of the Southfield, Mich., nonprime auto lender. Roberts, who joined CAC in 1991, was named chief executive in January. He has served as the company's chief operating officer, treasurer, and chief financial officer, among other positions.

NOTED

First Union Corp. sends thank-you notes to dealers who buy their cars at auction.

naf association ad

Rumblings

7 AUCTIONS LATER

Sometimes it pays to take the first offer at auction.

Marianne Hynes, president of **CARS Remarketing Inc.**, Laguna Beach, Calif., told attendees at a recent conference a story about a Rolls Royce convertible that a credit-union client remarketed on its own.

Kelley Blue Book valued the Rolls at \$50,000. The credit union got an offer at auction for \$43,000 for the car, but turned it down. Seven times the credit union brought the car to auction. Seven times it turned down bids that got as high as \$44,500. Finally, the credit union just had to sell the car. The final price: \$42,000.

"The lesson here is, \$44,500, that was all the car was worth," Hynes said.

ASBURY AUTO RAISES \$127M IN INITIAL PUBLIC OFFERING

Vehicle sales and finance company **Asbury Automotive Group Inc.** raised \$127 million — the top end of its \$115 million to \$131 million range — in an initial public offering last week.

Asbury's 7.7 million shares priced at \$16.50 each. Asbury, Stamford, Conn., had been expecting shares to fetch \$15 to \$17 in the IPO, which it had been planning since last July.

It intends to use the capital to repay some of its debt — which totaled \$969.6 million as of March 31, 2001 — and for general corporate purposes, including working capital and possible acquisitions, the company said in its IPO filing with the Securities and Exchange Commission.

The deal's underwriters were **Goldman, Sachs & Co.**, **Merrill Lynch & Co.**, and **Salomon Smith Barney Inc.**

Asbury has 91 dealerships in 10 states. **Ford Motor Credit Co.**, **Chrysler Financial Corp.**, and **General Motors Acceptance Corp.** provide it with \$1.3 billion in financing — \$550 million of which is earmarked for acquisition and working capital and \$750 million of which is for floorplan financing.

Asbury's stock trades on the New York Stock Exchange under the ticker ABG.

CREDIT BUREAU MAKES LOAN RATES AVAILABLE TO CAR BUYERS

Credit-score provider **Fair, Isaac & Co.** has created a web site that translates consumers'

credit scores into average auto-loan and mortgage rates.

The loan rates are not guaranteed, though, because lenders consider other factors, such as income and down payment amounts, in determining a finance rate. Still, the APRs, provided by Calabasas, Calif., data company

Informa Research Services Inc., consider the particular states in which customers live.

Consumers can access their credit reports plus the loan rates at www.myfico.com. The cost for the service is \$12.95.



CPS ACQUIRES MFN FOR \$104M

Consumer Portfolio Services Inc. completed its acquisition of **MFN Financial Corp.** last week.

CPS paid MFN stockholders \$10 per MFN share, for a total of about \$104 million. The deal, a bid to expand CPS's product offerings and increase its \$350 million loan portfolio, was announced last November.



The deal was completed on March 8, the same day MFN completed its second-ever loan securitization. MFN securitized just shy of \$100 million.

Deutsche Banc Alex. Brown served as the lead investment bank on the deal, and **XL Capital Assurance Inc.** provided the credit enhancement, the guarantee that investors will be repaid.

MFN's securitizations were part of an agreement for a line of credit provided by Deutsche Banc to fund MFN's future loan originations. The terms of the credit-line agreement called for the lender to securitize a portion of its loans semiannually.

MFN completed its first securitization — a \$300 million deal — last June.