

HOW TO BY THE EXPERTS Posting on Automotive Digest

Ten Reasons to Use Subprime Loan Analytics

By [Ken Shilson](#), President of NABD

1. **FACILITATES ACCESS TO CAPITAL** – Subprime Analytics independently provides credible performance metrics to capital providers thereby enhancing your ability to raise capital.
2. **IMPROVES YOUR UNDERWRITING** – Our analysis enables us to "drill down" into your portfolio data and evaluate your underwriting practices, all the vehicles you are selling, and the customers who are buying them. We screen the data for exceptions and input errors which could cause problems with your customers in the future.
3. **HELPS YOU AVOID UNDERWRITING MISTAKES** – With industry costs rising faster than customer down payments and repayments you can't afford to make trial and error mistakes. Subprime Analytics tells you what is working and what isn't. Learn from your losses, don't repeat them!
4. **IDENTIFIES WEAKNESSES (AND STRENGTHS) IN YOUR BUSINESS MODEL** – Our analysis calculates the portfolio return on your investment (ROI) and evaluates the cash efficiency model with your peers. You may be profitable, but is your business cash-efficient?
5. **IDENTIFIES LOSS PATTERNS AND TRENDS** – Our proprietary analysis identifies loss patterns and trends which can't be seen during daily operations. Once identified management can take prompt corrective action and avoid repeating them.
6. **SHOWS WHAT YOU ARE REALLY MAKING** – Our analysis will show you exactly how much of your profit you actually collect and what your true loss is for your repos! The more you learn, the more you will earn.
7. **ALLOWS YOU TO PREDICT FUTURE LOSSES** – Our analysis provides you with metrics which allow you to predict your future losses, cash flow and profits.
8. **BENCHMARKS PERFORMANCE COMPARISONS WITH YOUR PEERS** – Our analysis includes a comparison with your portfolio's performance with your peers'. We have BHPH deals valued at over \$10 billion of in our database.
9. **IMPROVES ANALYTICAL EFFICIENCY** – Our analysis interfaces with most dealer management system (DMS) software, making it a most efficient way to evaluate your portfolio performance.
10. **CREATE YOUR OWN SCORECARD** – The analysis results can be used to create your own custom credit scoring and underwriting guidelines or you can utilize our companion web-based credit scoring system.

For more loan management resources, go to http://www.bhphinfo.com/news_views