Presale Report
Lobel Automobile Receivables Trust 2023-1

DBRS Morningstar
April 28, 2023

Contents

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Rating Summary

Class	Amount (USD)	Coupon (%)	Rating	Rating Action
A	116,690,000	[TBD]	AA (sf)	New Rating–Provisional
B	22,378,000	[TBD]	A (sf)	New Rating–Provisional
C	14,886,000	[TBD]	BBB (sf)	New Rating–Provisional
D	24,776,000	[TBD]	BB (sf)	New Rating–Provisional
Total	**178,730,000**			

Executive Summary

DBRS, Inc. (DBRS Morningstar) assigned provisional ratings to the Lobel Automobile Receivables Trust 2023-1 transaction (2023-1) as noted above. The 2023-1 transaction represents Lobel's inaugural securitization and offers both senior and subordinate rated securities. Lobel Financial Corporation (Lobel or the Company) formed in 1979, headquartered in Anaheim, California, is an indirect auto finance company focused primarily on independent dealers. The receivables securitized in 2023-1 are subprime automobile loan contracts secured primarily by used automobiles, light-duty trucks, minivans, and sport utility vehicles.

This transaction will be structured as a Rule 144A transaction of the Securities Act of 1933. There are four classes of Notes—Class A, Class B, Class C, and Class D—included in 2023-1. Initial hard credit enhancement for the Class A Notes is 43.10% and includes a 1.50% reserve account of the initial pool balance (funded at inception and nondeclining), overcollateralization (OC) of 10.55% of the initial pool balance, and subordination of 31.05% of the initial pool balance. Initial Class B enhancement of 31.90% includes the 1.50% reserve account, OC of 10.55%, and 19.85% of subordination. Initial Class C enhancement of 24.45% includes the 1.50% reserve account, OC of 10.55%, and subordination of 12.40%. Initial Class D enhancement of 12.05% includes the 1.50% reserve account and OC of 10.55%.

The transaction will have an initial OC of 10.55%. The OC is expected to build to a target of 13.80% of the current pool balance based on available excess spread and is subject to an OC floor of 1.00% of the initial pool balance.

Transaction Parties and Relevant Dates

Issuer:	Lobel Automobile Receivables Trust 2023-1
Depositor:	Lobel Automobile Receivables Funding, LLC
Originator, Sponsor, Seller, Servicer, and Custodian:	Lobel Financial Corporation
Indenture Trustee and Backup Servicer:	Computershare Trust Company, N.A. (rated BBB/R-2 (middle) with Stable trends by DBRS Morningstar)
Owner Trustee:	Computershare Delaware Trust Company
Account Bank:	Wells Fargo Bank, N.A. (rated AA/R-1 (high) with Stable trends by DBRS Morningstar)
Closing Date:	May 10, 2023
Payment Date:	15th of the month
First Payment Date:	June 15, 2023
Final Scheduled Payment Dates:	Class A Notes: July 15, 2026
	Class B Notes: September 15, 2028
	Class C Notes: October 16, 2028
	Class D Notes: March 15, 2030

Note: Various capitalized terms are used throughout this report. Please refer to the transaction documents for more information and/or definitions of those terms.

Rating Rationale

The provisional ratings are based on DBRS Morningstar's review of the following analytical considerations:

- Transaction capital structure, proposed ratings, and form and sufficiency of available credit enhancement.
    - Credit enhancement is in the form of OC, subordination, amounts held in the reserve fund, and excess spread. Credit enhancement levels are sufficient to support the DBRS Morningstar-projected expected cumulative net loss (CNL) assumption under various stress scenarios.
- The ability of the transaction to withstand stressed cash flow assumptions and repay investors according to the terms under which they have invested. For this transaction, the rating addresses the payment of timely interest on a monthly basis and the payment of principal by the legal final maturity date.
- The DBRS Morningstar CNL assumption is 18.00% for the transaction based on the expected pool composition.
- The transaction assumptions consider DBRS Morningstar's baseline macroeconomic scenarios for rated sovereign economies, available in its commentary *Baseline Macroeconomic Scenarios For Rated Sovereigns: April 2023 Update*, published on April 28, 2023. These baseline macroeconomic scenarios replace DBRS Morningstar's moderate and adverse Coronavirus Disease (COVID-19) pandemic scenarios, which were first published in April 2020.
- The quality and consistency of provided historical static pool data for Lobel originations since 2012.
- The capabilities of Lobel Financial (Lobel) with regard to originations, underwriting (UW), and servicing.
    - DBRS Morningstar has performed an operational review of Lobel and considers the entity to be an acceptable originator and servicer of subprime automobile loan contracts. The transaction also has an acceptable backup servicer.

    - The Lobel senior management team has considerable experience and a successful track record within the auto finance industry, managing the Company through multiple economic cycles.
    - The company's 40 years of history and profitability each year since inception.
- The legal structure and presence of legal opinions that are expected to address the true sale of the assets to the Issuer, the nonconsolidation of the special-purpose vehicle with Lobel, that the trust has a valid first-priority security interest in the assets, and the consistency with DBRS Morningstar's *Legal Criteria for U.S. Structured Finance*.

Company Description

Formed on December 4, 1979, Lobel is headquartered in Anaheim. The company is family owned with family members holding key management positions. The company finances indirect loans from franchise and independent dealers. It began originations in California and has slowly and methodically expanded across 11 states. Lobel currently has 12 regional offices across the country, which serve primarily as sales and marketing offices. The company has 300 full-time employees as of March 31, 2023, and key personnel and management operate out of two offices in Anaheim. Since 2010, Lobel has purchased over 390,000 automobile finance contracts comprising over $4.2 billion and manages a portfolio size of approximately $671 million as of Q1 2023.

As of February 28, 2023, Lobel had active relationships with more than 4,117 independent and 1,186 franchised dealerships. No dealer accounted for more than 2.6% of the contracts originated by Lobel during 2022. Contracts are generally purchased with one- or two-payment recourse to independent dealers but without recourse to franchised dealers.

Originations

Lobel originates indirect automobile contracts that are secured by used vehicles purchased by subprime consumers who are unable to obtain financing from traditional financing sources, such as banks, credit unions, and captive finance companies. Lobel's typical customer has experienced prior credit difficulties, has limited traditional credit history, or has no traditional credit history. Customers that have significant traditional credit history generally have a credit bureau score ranging from 450 to 750. The weighted average credit score of the pool with a traditional credit bureau score is 610, and 51.66% of the pool has no score.

Lobel primarily purchases contracts from independent dealers who operate used car lots with no manufacturer affiliation. These dealerships submit loan applications to Lobel through its proprietary Deal Writer online application portal and third-party online submission portals.

Sales and marketing employees in branch offices around the country, enroll and service new dealers as well as maintain relationships with existing dealers. The role of the branch employees includes marketing Lobel's loan program, maintaining relationships with Lobel's originating dealer base, and loan processing. Branch employees do not enter into or modify dealer agreements on behalf of Lobel or handle funds belonging to dealers.

Lobel enters into an agreement with each dealer from which it intends to purchase Automobile Loan Contracts. These agreements generally provide that if any representation or warranty that is made by such dealer to Lobel regarding a particular Automobile Loan Contract is breached, the dealer will be required to repurchase the Automobile Loan Contract from Lobel for a price equal to its purchase price less payments made, plus a processing fee. The representations and warranties that these dealers make to Lobel regarding the contracts typically relate to, among other things, the manner in which an Automobile Loan Contract was originated and the security interest that was granted in the purchased vehicle. Dealers typically do not make representations and warranties to Lobel regarding the collectability of any Automobile Loan Contract or the creditworthiness of the related customer.

Lobel has contracted with eOriginal and has begun converting physical loans and is adding e-contracting capabilities that will create efficiencies and expedite the funding process to be more aligned with the market. Lobel uses eOriginal as the eVault provider. As of the Cut-Off date, approximately 46% of the receivables pool has a contract that has been converted to an electronic contract.

Underwriting

Lobel has a centralized analytical approach to the decision logic and processes that support the Company's underwriting and buying functions. Lobel uses a proprietary scoring model to auto decision each contract. It is currently on ScoreCard 8.0, which was implemented in December 2022 and incorporates 14 individual scorecards based on dealer state and borrower segment; the previous version (ScoreCard 7.0) was implemented in October 2021. The scorecard uses customer credit and ancillary data to auto decision and price applications. The company developed its decision logic to segment and price risk, increase consistency, support scale, and provide high levels of dealer service. In general, applications must be within the originations policy thresholds to be considered for approval, including, but not limited to the following:

1. minimum duration of employment;
2. maximum loan-to-value ratio (LTV);
3. maximum payment-to-income ratio (PTI);
4. maximum term;
5. maximum mileage;
6. earliest model year;
7. maximum amount financed;
8. minimum dealer recourse payments; and
9. minimum down payment requirements.

Scoring models have progressed from expert-rule-based models to statistically derived model builds. Lobel uses a Scorecard to auto-decision, score, and price loans. The first scorecard was implemented in 2010 and was based on the performance of California obligors. As the company has expanded and gathered additional information, additional enhancements and new versions of the scorecard have been implemented. The company has a two-stage scoring approach; stage 1 approves or declines the application and sets the APR. Once approved in stage 1, stage 2 is where the remaining deal terms are

set by using the information from stage 1, in addition to other attributes such as PTI, total payments to wholesale value, and cash down payment.
Decisions are returned to dealers through Deal Writer and the online portals. All credit decisioning is fully automated so dealers can request alternative structures systematically through Deal Writer 24 hours per day, seven days per week.

In addition to the use of scorecards, Lobel actively monitors originations and performance and periodically implements credit tightening as management sees appropriate. Yearly, the company purchases customer data and reviews various data points and compares them with previous models; if any attributes are identified as more predictive, model enhancements are recommended. Lobel's management makes a decision to tighten or loosen credit based on a cost-benefit analysis.

The dealer and applicant will compile a complete contract package and forward it to Lobel's local branch employees for review. As part of this review, each of the documents in the package is uploaded to the electronic document workflow system so that these are available immediately systemwide. The loan processor verifies the applicant's income, employment, and residence and interviews the applicant by telephone. The review also includes confirmation that all necessary information and documentation are satisfied. Branch employees have no exception authority. Once the branch has completed and is satisfied with its review, the application package is forwarded electronically to Lobel's audit group.

Lobel's audit group, reviews files for compliance, accuracy, and to confirm that all Lobel policies and procedures were followed. If the auditor finds any issues with the application, it will send them to the branch to correct or to the director of originations to review for further guidance and/or an exception. In addition, as part of the approval and funding process, the dealer services group will also review application packages for any payment recourse repurchase obligations due from the dealer, dealer agreements/packages that still need to be completed, and outstanding lien certificates that require repurchase by the dealer.

Verification and Funding

Lobel verifies income and employment on 100% of approved loans. The company also considers the consistency of the applicant's income and whether the income will continue in the future as well as the applicant's stability of residence.

Servicing

Lobel services all loan contracts that it originates using live operators in conjunction with automated loan servicing, collections systems, and third-party servicing partners. As of March 31, 2023, the company serviced a portfolio of 55,254 automobile contracts with an aggregate principal balance of approximately $671.3 million.

Servicing and collections activity is managed centrally in Lobel's Anaheim office. Lobel is focused on maintaining customer-service-driven contact with customers while controlling losses. Lobel also has a contractual relationship with KM2, Inc. (KM2), a third-party offshore vendor in Honduras that services customer service and early-stage delinquent accounts on Lobel's behalf as a first-party collector. Lobel has been working with KM2 since 2015.

Once an account is funded, the Automobile Loan Contracts are uploaded in real time from Lobel's loan origination system to Lobel's servicing platform (a proprietary system developed in-house over the past 30–40 years). All necessary documents are electronically imaged, and in the case of tangible Automobile Loan Contracts, Lobel holds the paper copies as custodian.

Account statements are processed and mailed to customers monthly, approximately 15 days prior to the monthly due date. The statements include payment instructions. Customers may submit payments on their Automobile Loan Contracts through a number of payment platforms, including mail, an online automated clearing house and debit cards, Western Union Quick Collect®, MoneyGram Express®, or via telephone with electronic checks and debit cards. Lobel receives approximately 80% of payments electronically. All physical payments are directed to Lobel's Anaheim office where they are electronically deposited and posted to the customer's account daily. Lobel does allow for collections at branch offices, which accounts for approximately 10% of customer payments. Payments made at Lobel branches are via check or money order where they are electronically deposited daily. No cash payments are accepted. All payments will be swept to the collection account within two business days of being received and identified.

Delinquent accounts are segmented into two primary groups: Tier 1 and Tier 2 collections. Tier 1 collections involve customer service calls and accounts that are one to approximately 30 days past due. The Servicer uses a predictive dialer and its collection personnel and KM2 resources to contact customers as early as one day past due, and in all cases not later than 14 days past due. Tier 2 (greater than 30 days past due, assigned for repossession, or in default status) accounts are primarily serviced by Lobel agents who are more experienced and specialize in mid-stage and late-stage collections. Additional work queues exist for accounts that require special handling, such as skip tracing, insurance total losses, impounds, and repossessions.

Accounts that are assigned for repossession are managed by the collections department. Accounts are assigned for repossession as defined in Lobel's loan servicing policies. A collections supervisor or manager authorizes an assignment and approval for repossession. Repossessions are assigned through Lobel's network of local repossession agents or third-party national vendors that provide a centralized process of managing repossession. If the vehicle is not recovered by a certain point, Lobel assigns the account to a third-party skip tracing company that uses license plate recognition software to locate vehicles. Recovered collateral is managed by the remarketing department and external vendors, which remarket repossessed vehicles and seek to realize the highest value for any individual vehicle. Proceeds from the sale, net of repossession, auction and transport fees, reconditioning, and other costs, are then applied to the customer account.

Lobel may grant extension on a loan, permitting the deferral of one payment or permitting a change in the date on which a payment is due. Eligibility for due date changes and extensions, as well as the maximum length of time the maturity date can be extended, are determined in accordance with Lobel's loan servicing policies.

- Current policy on due date changes allow for a maximum of one due date change only after the customer has made at least one payment.

Lobel's policy is to charge off an account under the following circumstances:

- on the last day of the month, if as of that date, more than 25.00% of any scheduled Automobile Loan Contract payment remains unpaid for 120 days or more from the due date for such payment and the related financed vehicle has not been repossessed;
- the related financed vehicle has been repossessed and Lobel has either liquidated such financed vehicle or held such financed vehicle in its inventory for more than 90 days at month end; or
- such account is otherwise required to be charged off or is deemed uncollectible in accordance with Lobel's loan servicing policies.

Upon charge-off, the account is transferred to the legal collections department for review of the deficiency balance. Accounts not deemed suitable for lawsuit are referred to a third-party collection agency for recovery efforts.

Disaster Recovery

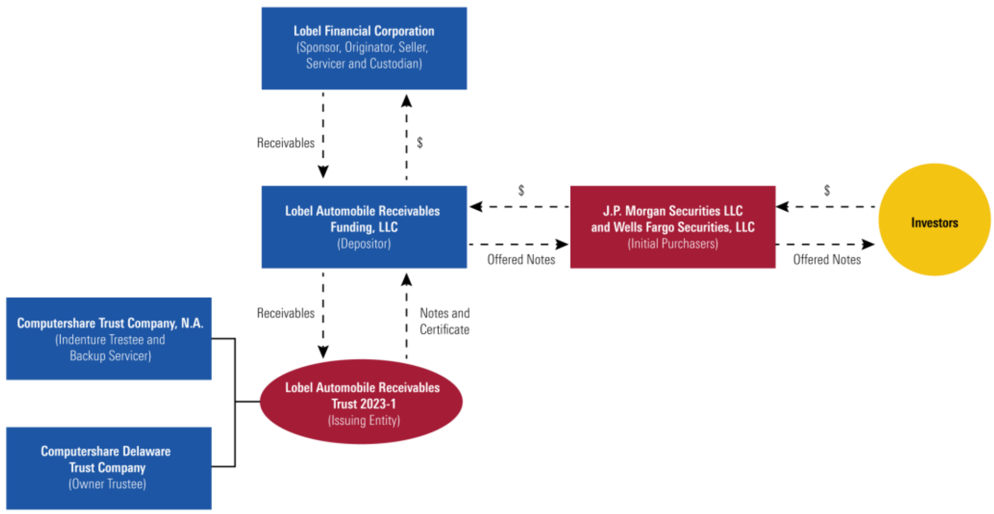
Lobel's disaster recovery process includes back up to a local server with replication to the Amazon cloud. The company has two redundant sites in Anaheim, as well as a third-party datacenter/technology supplier. Data is backed up to the local server with replication to the Amazon cloud. No local disaster recovery process is in place; however, the company does check for on-site restore capabilities twice weekly.

Regulatory

Lobel entered into a Consent Order with the Consumer Financial Protection Bureau (CFPB) in September 2020. Under the terms of the Consent Order, Lobel changed its business practices to correct certain deficiencies in administering its loss damage waiver product and built a robust compliance department that reports to Lobel's board. In addition, the Company paid $1.3 million in customer refunds, forgave $1.7 million in charged-off principal balances, and paid a $100,000 civil penalty to the CFPB. The CFPB is currently performing a follow-up review to ensure compliance with the Consent Order. Lobel has cooperated with all information requests to date.

Transaction Structure

Structural Summary



Priority of Payments

On or prior to each distribution date, the servicer will instruct the indenture trustee to make the following distributions from available funds in the following order of priority:

1. pro rata, (A) to the servicer or any successor servicer, the Servicing Fee and, to the extent the Servicer has not been reimbursed or retained by the servicer, any Supplemental Servicing Fees and any reimbursements for mistaken deposits, postings, or checks returned for insufficient funds; and (B) to any successor servicer, transition fees not to exceed $150,000 in aggregate;
2. to the extent not previously paid by the sponsor or servicer, pro rata, in each case based on amounts due without preference or priority, (A) to the Owner Trustee, the Indenture Trustee, the Custodian (if a successor Custodian has been appointed), and the Backup Servicer, any accrued and unpaid fees; and (B) to the Owner Trustee, the Indenture Trustee, and the Backup Servicer, any accrued and unpaid expenses and indemnities, which expenses and indemnities paid pursuant to this clause 2(B) will not exceed (i) in the case of the Owner Trustee, $50,000 in the aggregate per annum and (ii) in the case of the Indenture Trustee and the Backup Servicer, $50,000 in the aggregate per annum;
3. to pay interest on the Class A Notes;
4. to pay principal necessary to reduce the aggregate Principal Amount of the Class A Notes to an amount equal to the Pool Balance as of the end of the related Collection Period, and to pay the remaining Principal Amount of the Class A Notes on its Final Scheduled Distribution Date;
5. to pay interest on the Class B Notes;
6. to pay principal necessary, after giving effect to any payments made under clause 4 above, to reduce the aggregate Principal Amount of the Class A Notes and the Class B Notes to an amount

equal to the Pool Balance as of the end of the related Collection Period, and to pay the remaining Principal Amount of the Class B Notes on its Final Scheduled Distribution Date;

7. to pay interest on the Class C Notes;
8. to pay principal necessary, after giving effect to any payments made under clauses 4 and 6 above, to reduce the aggregate Principal Amount of the Class A Notes, the Class B Notes, and the Class C Notes to an amount equal to the Pool Balance as of the end of the related Collection Period, and to pay the remaining Principal Amount of the Class C Notes on its Final Scheduled Distribution Date;
9. to pay interest on the Class D Notes;
10. to pay principal necessary, after giving effect to any payments made under clauses 4, 6, and 8 above, to reduce the aggregate Principal Amount of the Class A Notes, the Class B Notes, the Class C Notes, and the Class D Notes to an amount equal to the Pool Balance as of the end of the related Collection Period, and to pay the remaining Principal Amount of the Class D Notes on its Final Scheduled Distribution Date;
11. to the Reserve Account, the amount necessary to achieve the Required Reserve Amount;
12. to pay principal to maintain or achieve the Target Overcollateralization Amount;
13. to pay each of the Indenture Trustee, the Custodian (if a successor Custodian has been appointed), the Owner Trustee, the Backup Servicer, and any successor servicer any fees, expenses, and indemnities then due to such party that are in excess of the related cap specified under clause 1(B) above or the annual limitation specified under clause 2(B) above relating to fees, expenses, and indemnities, as applicable; and
14. to pay all remaining amounts to the Certificate Distribution Account.

Payment of Principal

On each payment date, principal distributions will be made from available funds in the following order of priority:

1. To the Class A noteholders until paid in full;
2. To the Class B noteholders until paid in full;
3. To the Class C noteholders until paid in full; and
4. To the Class D noteholders until paid in full.

Priority of Payments after an Event of Default (EOD)

In the event that the Notes are declared to be immediately due and payable after an EOD on each payment date, distributions will be made from available funds in the following order of priority:

1. To the Servicer, the Owner Trustee, the Custodian, the Indenture Trustee, the Backup Servicer, and any successor servicer, amounts due pursuant to priorities (1) and (2) under the Priority of Payments section, ratably, without preference or priority of any kind and without regard to the cap or annual limitation;
2. To pay interest on the Class A Notes;
3. To pay principal on the Class A Notes until the Class A Notes are paid in full;
4. To pay interest on the Class B Notes;
5. To pay principal on the Class B Notes until the Class B Notes are paid in full;
6. To pay interest on the Class C Notes;

7. To pay principal on the Class C Notes until the Class C Notes are paid in full;
8. To pay interest on the Class D Notes;
9. To pay principal on the Class D Notes until the Class D Notes are paid in full;
10. To pay all remaining amounts to the Certificate Distribution Account.

Events of Default

1. A default for five days in the payment of any interest on (A) any Class A Note; or (B) if no Class A Note remains outstanding, any Class B Note; or (C) if no Class A Note or Class B Note remains outstanding, any Class C Note; or (D) if no Class A Note, Class B Note, or Class C Note remains outstanding, any Class D Note in each case when the same becomes due and payable;
2. A default for five days in the payment of the principal of any note on the final scheduled distribution date;
3. Certain breaches by the Issuer of covenants, representations, or warranties (subject to any applicable cure period); and
4. Certain events of bankruptcy, insolvency, receivership, or liquidation of the Issuing Entity or its property.

Servicer Termination Events

The following events constitute servicer termination events under the Sale and Servicing Agreement:

1. The Servicer’s failure to deliver any required payment to the Indenture Trustee for distribution to the noteholders, which failure continues unremedied for two business days;
2. The failure of the Servicer to deliver the monthly servicer’s certificate by the first business day prior to the distribution date or, solely if failure was caused by a force majeure event, on or prior to the fifth business day after the related distribution date;
3. The initial Servicer merges or consolidates with any other person, conveys, transfers, or leases substantially all its assets as an entirety to another person, or permits any other person to become the successor to the initial Servicer's business, in each case, except as permitted under the Sale and Servicing Agreement;
4. The Servicer's failure to observe or perform any other covenant or agreement in the Sale and Servicing Agreement that materially and adversely affects the noteholders and that continues unremedied for 45 days after the earlier of knowledge thereof by the Servicer or after the giving of written notice of such failure;
5. Events of bankruptcy, insolvency, receivership or liquidation, or similar proceedings regarding the Servicer, or actions by the Servicer, indicating its insolvency, reorganization under bankruptcy proceedings, or inability to pay its obligations; and
6. Any Servicer representation, warranty, or statement proves to be incorrect, such incorrectness has a material and adverse effect on the trust or the noteholders and, within 45 days after the earlier of knowledge thereof by the Servicer or after written notice thereof, shall have been given to the Servicer by the Indenture Trustee or by the majority noteholders of the controlling class, the circumstances or condition in respect of which such representation, warranty, or statement was incorrect shall not have been eliminated or otherwise cured.

Credit Enhancement

Credit enhancement for the 2023-1 transaction consists of OC, subordination, a reserve account, and available excess spread.

Overcollateralization

OC initially equals 10.55% of the initial pool balance and will build to a target of 13.80% of the current pool balance and is subject to an OC floor of 1.00% of the initial pool balance.

Subordination

Subordination for the Class A Notes equals 31.05% of the initial pool balance and comprises the Class B, Class C, and Class D Notes. Subordination for the Class B Notes equals 19.85% and represents the Class C and Class D, Notes. Subordination to the Class C Notes equals 12.40% and represents the Class D Notes.

Reserve Account

A fully funded nondeclining reserve account equals 1.50% of the initial pool balance.

Excess Spread

Initial available excess spread in the transaction is estimated to equal approximately 9.80% per annum based on the average collateral yield of 20.71%, less a 3.00% servicing fee, 0.02% average backup servicing fee, 0.01% trustee fee, and an assumed blended note rate of 7.88%.

Collateral

The receivables securitized in this transaction are a pool of subprime automobile loan contracts secured by used automobiles, light-duty trucks, minivans, and sport utility vehicles. The current pool is as of the Cut-Off Date, April 10, 2023, and is equal to approximately $200 million. Approximately 52% of the 2023-1 collateral pool has no credit bureau score and has a maximum original term of 72 months (see below for the collateral characteristics).

Compared to its peers, United Auto Credit Securitization Trust 2023-1 (UACST 2023-1), Carvana Auto Receivables Trust 2023-N1 (CRVNA 2023-N1), and Drive Auto Receivables Trust 2021-3 (DART 2021-3), the LOBEL 2023-1 collateral pool has higher seasoning and a higher weighted average (WA) nonzero credit bureau score, although a majority of the pool has no credit bureau score. In addition, the WA LTV for the LOBEL 2023-1 pool is lower than the UACST 2023-1 and DART 2021-3 pools while higher than the CRVNA 2023-N1 collateral pool.

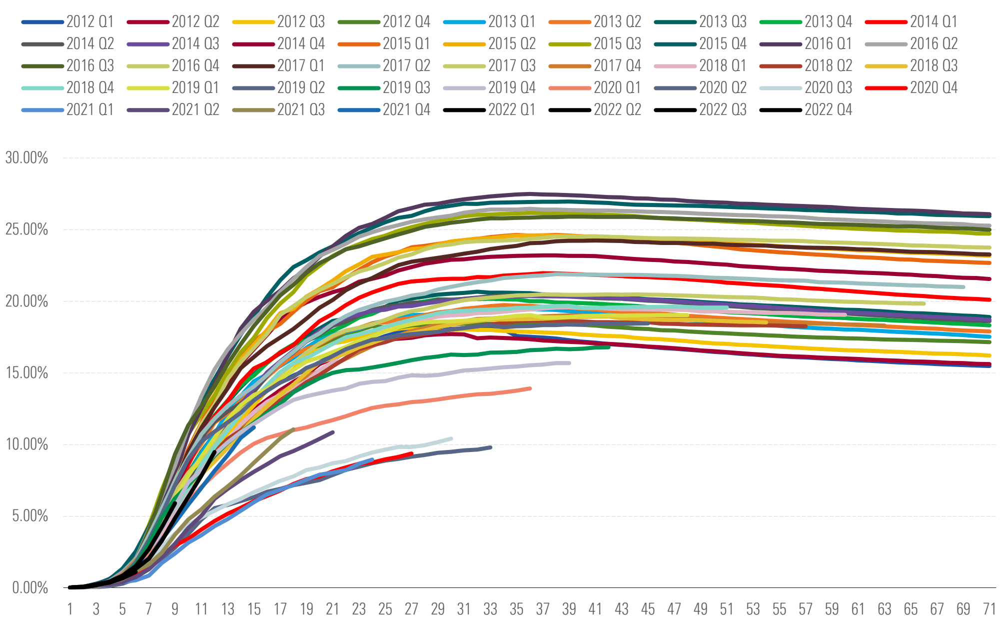
	LOBEL 2023-1	**UACST 2023-1**	**CRVNA 2023-N1**	**DART 2021-3**
Aggregate Principal Balance	$199,800,442	$326,371,152	$517,052,275	$1,524,382,045
Number of Receivables	12,935	23,118	23,540	65,449
Avg Principal Balance	$15,446	$14,118	$21,965	$23,291
WA APR	20.71%	20.63%	20.92%	18.29%
WAOT	58.61	59.13	72.23	71.18
WARM	50.10	53.31	69.05	67.70
WA Seasoning	8.51	5.81	3.18	3.48
Non-zero Credit Bureau Score	610	571	578	575
WA LTV	106.89%	120.96%	100.77%	109.64%
New Vehicles	0.00%	0.10%	0.00%	19.09%
Used Vehicles	100.00%	99.90%	100.00%	80.91%
Original Term				
1-24	0.21%	0.54%	0.00%	0.00%
25-36	1.64%	5.14%	0.09%	0.07%
37-48	15.42%	17.19%	0.26%	0.73%
49-60	58.46%	28.60%	0.48%	7.35%
61-72	24.27%	48.52%	75.58%	82.06%
73-78			23.58%	9.80%
Remaining Term				
1-24	1.63%	6.61%	0.11%	0.02%
25-36	10.05%	8.97%	0.20%	0.18%
37-48	26.76%	16.11%	0.43%	1.06%
49-60	44.24%	24.22%	3.97%	13.73%
61-72	17.32%	44.09%	81.64%	79.29%
73-78			13.66%	5.72%
Credit Bureau Score				
No Score	51.66%	17.43%	3.21%	n/a
550 and less	8.84%	31.44%	33.02%	40.12%
551 - 600	13.24%	25.39%	27.42%	33.64%
601 - 650	12.81%	17.99%	23.28%	20.32%
651 and greater	13.46%	7.76%	13.07%	5.92%
Top 5 State Concentrations				
1	CA = 33.88%	FL = 18.45%	TX = 13.73%	TX = 18.32%

2	FL = 32.12%	TX = 11.17%	FL = 7.81%	FL = 12.45%
3	TX = 17.82%	CA = 6.18%	PA = 7.48%	CA = 6.29%
4	AZ = 4.48%	GA = 4.84%	CA = 6.78%	PA = 5.98%
5	WA = 2.66%	VA = 4.16%	GA = 5.57%	GA = 5.14%

Cash Flow Analysis

DBRS Morningstar analyzed Lobel's historical static pool credit loss data from 2012 through 2022, broken down by quarterly vintage of origination. DBRS Morningstar observed lower CNL rates in the 2012 through 2014 vintages, while performance in 2015 and 2016 deteriorated. From 2017 through 2020, the static pool performance improved, and CNL rates gradually decreased. The 2021 and early performance on the 2022 vintages are showing some signs of weakening; however, they are still below what was historically observed. The graph below illustrates the origination static pool performance for Lobel from Q1 2012 through Q4 2022.

Exhibit 1 Quarterly Origination Static Pool Performance



DBRS Morningstar developed a base-case default curve based on Lobel's historical performance from 2012 to current to forecast defaults on vintages that have not yet experienced their full level of losses. DBRS Morningstar then applied the projected default levels for each bucket within the portfolio, based on the percentage of collateral from the respective quarterly origination vintage within the proposed pool. The DBRS Morningstar expected CNL for this portfolio is 18.00%.

The cash flows for the transaction have demonstrated that there is adequate credit enhancement to cover the stress-case scenarios for each rating category.

Please refer to Appendix A for cash flow assumption details.

Legal Structure and Opinions

The Transferor will sell the Contract Assets to the Issuer. The counsel to Lobel is expected to render opinions indicating the true sale of the assets from the Transferor to the Issuer as well as the enforceability of the documents against the Originator, the Transferor, the Issuer, and the assets of the Issuer. The counsel to Lobel is also expected to render an opinion stating that the Indenture and the pledges and grants thereunder create a valid security interest in the Contract Assets for securing payment of the Issuer's obligations and that the creditors of the Originator or its affiliates cannot successfully look to the assets of the Issuer for satisfaction of their claims. In addition, the 2023-1 transaction structure, representation and warranties, as well as documentation will be reviewed for consistency with the DBRS Morningstar *Legal Criteria for U.S. Structured Finance*.

Appendix A — Cash Flow Details

Capital Structure

Class	Size (USD)	Collateral (%)	Hard Credit Enhancement (%)	Coupon (%)	Multiple Range (x)	DBRSM Multiple (x)	Rating	Constraining Scenario
A	116,690,000	58.40	43.10	[TBD]	2.25–3.50	2.52	AA (sf)	Front Curve
B	22,378,000	11.20	31.90	[TBD]	2.00–3.00	2.05	A (sf)	Front Curve
C	14,886,000	7.45	24.45	[TBD]	1.50–2.25	1.70	BBB (sf)	Front Curve
D	24,776,000	12.40	12.05	[TBD]	1.25–1.50	1.33	BB (sf)	Front Curve
Total	178,730,000	89.45						
OC	21,070,442	10.55						

	Initial	Target	Floor[1]
OC (%)	10.55	13.80	1.00
Reserve Account (%)[2]	1.50		

1. OC floor is calculated as a percentage of the initial pool balance.
2. Reserve Account is calculated as a percentage of the initial pool balance.

Model Assumptions	
DBRS Morningstar Expected Loss (%)	18.00
Recovery Rate (%)	40.00
Recovery Lag (months)	3
Voluntary Prepay Speed (ABS) (%)	0.75

Collateral

Name	Principal Balance (USD)	Index	APR (%)	Original Term (months)	Remaining Term (months)
1	97,259	Fixed	19.76	30	10
2	1,076,911	Fixed	21.11	39	20
3	6,025,506	Fixed	21.04	50	31
4	15,983,153	Fixed	20.85	54	42
5	27,354,168	Fixed	21.13	60	55
6	10,349,442	Fixed	19.26	68	64
7	176,141	Fixed	20.56	29	10
8	1,905,717	Fixed	21.21	39	20
9	14,063,302	Fixed	21.13	49	31
10	37,481,002	Fixed	20.82	54	42
11	61,034,409	Fixed	21.16	60	55
12	24,253,431	Fixed	19.07	68	64
Total/Weighted Average	199,800,442		20.71	58.35	50.08

Loss Timing Curves (%)	Front Curve	Middle Curve	Back Curve
Year 1	60	50	40
Year 2	40	40	30
Year 3		10	20
Year 4			10

Transaction Fees & Expenses[1]

Servicing Fee	3.00%	per annum
Transition Expense	$150,000	occurs in month 1

Other Fees	$100,000	per annum
Backup Servicing Fee	0.02%	per annum (subject to a floor of $4,000 per month)
Owner Trustee Fee	$5,000	per annum
Indenture Trustee Fee	$2,000	monthly

1. DBRS Morningstar typically runs the maximum fees and expenses allowed in the waterfall.

Appendix B—Environmental, Social, and Governance (ESG) Considerations

Environmental, Social and Governance (ESG) Checklist

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		**Overall:**	N	N
	Emissions, Effluents, and Waste	Do the costs or risks result in a higher default risk or lower recoveries for the securitized assets?	N	N
	Carbon and GHG Costs	Do the costs or risks related to GHG emissions result in higher default risk or lower recoveries of the securitized assets?	N	N
		Are there potential benefits of GHG-efficient assets on affordability, financeability, or future values (recoveries)?	N	N
		Carbon and GHG Costs	N	N
	Climate and Weather Risks	Are the securitized assets in regions exposed to climate change and adverse weather events affecting expected default rates, future valuations, and/or recoveries?	N	N
	Passed-through Environmental credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by environmental factors (see respective ESG checklist for such issuer)?	N	N
Social		**Overall:**	N	N
	Social Impact of Products and Services	Do the securitized assets have an extraordinarily positive or negative social impact on the borrowers and/or society, and do these characteristics of these assets result in different default rates and/or recovery expectations?	N	N
		Does the business model or the underlying borrower(s) have an extraordinarily positive or negative effect on their stakeholders and society, and does this result in different default rates and/or recovery expectations?	N	N
		Considering changes in consumer behavior or secular social trends: does this affect the default and/or loss expectations for the securitized assets?	N	N
		Social Impact of Products and Services	N	N
	Human Capital and Human Rights	Are the originator, servicer, or underlying borrower(s) exposed to staffing risks and could this have a financial or operational effect on the structured finance issuer?	N	N
		Is there unmitigated compliance risk due to mis-selling, lending practices, or work-out procedures that could result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
		Human Capital and Human Rights	N	N
	Product Governance	Does the originator's, servicer's, or underlying borrower(s)' failure to deliver quality products and services cause damage that may result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
	Data Privacy and Security	Does the originator's, servicer's, or underlying borrower(s)' misuse or negligence in maintaining private client or stakeholder data result in financial penalties or losses to the issuer?	N	N
	Passed-through Social credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by social factors (see respective ESG checklist for such issuer)?	N	N
Governance		**Overall:**	N	N
	Corporate / Transaction Governance	Does the transaction structure affect the assessment of the credit risk posed to investors due to a lack of appropriate independence of the issuer from the originator and/or other transaction parties?	N	N
		Considering the alignment of interest between the transaction parties and noteholders: does this affect the assessment of credit risk posed to investors because the alignment of interest is inferior or superior to comparable transactions in the sector?	N	N
		Does the lack of appropriately defined mechanisms in the structure on how to deal with future events affect the assessment of credit risk posed to investors?	N	N
		Considering how the transaction structure provides for timely and appropriate performance and asset reporting: does this affect the assessment of credit risk posed to investors because it is inferior or superior to comparable transactions in the sector?	N	N
		Corporate / Transaction Governance	N	N
	Passed-through Governance credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by governance factors (see respective ESG checklist for such issuer)?	N	N
		Consolidated ESG Criteria Output:	N	N

* A Relevant Effect means that the impact of the applicable ESG risk factor has not changed the rating or rating trend on the issuer.
A Significant Effect means that the impact of the applicable ESG risk factor has changed the rating or trend on the issuer.

ESG Considerations

Environmental

There were no environmental factors that had a relevant or significant effect on the credit analysis. For more details about which environmental factors could have an effect on the credit analysis, please refer to the checklist above.

Social

There were no social factors that had a relevant or significant effect on the credit analysis. For more details about which social factors could have an effect on the credit analysis, please refer to the checklist above.

Governance

There were no governance factors that had a relevant or significant effect on the credit analysis. For more details about which governance factors could have an effect on the credit analysis, please refer to the checklist above.

The above ESG discussion relates to credit risk factors that could affect the Issuer's credit profile and, therefore, the ratings of the bonds. They are separate from ESG sustainability factors, which are generally outside the scope of this analysis. A description of how DBRS Morningstar considers ESG factors within the DBRS Morningstar analytical framework can be found in the DBRS Morningstar Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings at https://www.dbrsmorningstar.com/research/396929/dbrs-morningstar-criteria-approach-to-environmental-social-and-governance-risk-factors-in-credit-ratings.

Notes:
All figures are in U.S. dollars unless otherwise noted.

This report is based on information as of April 28, 2023. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

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