S&P Global Ratings

Research

Presale:

First Investors Auto Owner Trust 2022-1

February 17, 2022

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Preliminary Ratings

Class	Preliminary rating	Type	Interest rate(i)	Preliminary amount (mil. $)	Legal final maturity date
A	AAA (sf)	Senior	Fixed	230.77	Jan. 15, 2027
B	AA (sf)	Subordinate	Fixed	16.67	April 17, 2028
C	A (sf)	Subordinate	Fixed	26.80	May 15, 2028
D	BBB (sf)	Subordinate	Fixed	22.12	June 15, 2028
E	BB- (sf)	Subordinate	Fixed	15.28	June 15, 2029

Note: This presale report is based on information as of Feb. 17, 2022. The ratings shown are preliminary. Subsequent information may result in the assignment of final ratings that differ from the preliminary ratings. Accordingly, the preliminary ratings should not be construed as evidence of final ratings. This report does not constitute a recommendation to buy, hold, or sell securities. (i)The actual coupons will be determined on the pricing date.

Profile

Expected closing date	March 3, 2022.
Collateral	Subprime auto loan receivables.
Issuer	First Investors Auto Owner Trust 2022-1
Originator/seller/sponsor	Stellantis Financial Services Inc. (doing business as First Investors Financial Services).
Depositor	First Investors Auto Funding Corp.
Servicer	First Investors Servicing Corp.
Indenture trustee	Wilmington Trust N.A. (A-/Stable/A-2).
Custodian	Stellantis Financial Services Inc.
Subcustodian	Computershare Delaware Trust Co.
Owner trustee	Computershare Delaware Trust Co.
Lead underwriter	J.P. Morgan Securities LLC.

FIAOT Credit Enhancement Summary (%)

	2022-1	2021-2	2021-1	2020-1	2019-2	2019-1	2018-2	2018-1
Subordination(i)								
Class A	25.95	23.25	26.25	29.85	29.59	27.33	35.10	35.10
Class B	20.60	16.50	18.75	22.85	22.30	21.58	27.40	27.60
Class C	12.00	8.25	10.00	13.35	12.80	13.08	17.60	17.61
Class D	4.90	3.00	6.50	6.35	6.10	6.34	9.45	9.60
Class E	0.00	0.00	2.75	2.85	2.65	2.34	4.40	4.60
Class F	--	--	0.00	0.00	0.00	0.00	0.00	0.00
Overcollateralization(i)								
Initial	0.00	0.00	0.00	0.00	0.00	0.50	0.90	1.15
Target(ii)	5.75	3.00	2.50	2.50	2.00	3.50	6.10	5.50
Floor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Reserve fund(i)								
Initial	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Target	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Floor	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Total hard credit enhancement(i)								
Class A	27.45	24.75	27.75	31.35	31.10	29.33	37.50	37.75
Class B	22.10	18.00	20.25	24.35	23.80	23.58	29.80	30.25
Class C	13.50	9.75	11.50	14.85	14.30	15.08	20.00	20.26
Class D	6.40	4.50	8.00	7.85	7.60	8.34	11.85	12.25
Class E	1.50	1.50	4.25	4.35	4.15	4.34	6.80	7.25
Class F	--	--	1.50	1.50	1.50	2.00	2.40	2.65
Excess spread per year (estimated)(iii)	7.82	10.58	11.36	9.98	9.75	8.04	7.54	7.83

(i)As a percentage of the initial receivables balance.(ii)The overcollateralization target is a percentage of the current receivables balance. (iii)Includes the 2.04% servicing fees. Series 2018-1 through 2021-2 reflect estimated excess spread after pricing. FIAOT--First Investors Auto Owner Trust. N/A--Not Applicable.

Rationale

The preliminary ratings assigned to First Investors Auto Owner Trust 2022-1's (FIAOT 2022-1) asset-backed notes reflect:

- The availability of approximately 35.90%, 31.22%, 24.34%, 18.63%, and 14.80% credit support for the class A, B, C, D, and E notes, respectively, based on stressed cash flow scenarios (including excess spread). These credit support levels provide approximately 3.65x, 3.15x, 2.40x, 1.80x, and 1.40x coverage of our 9.25%-9.75% expected cumulative net loss (CNL) range for the class A, B, C, D, and E notes, respectively (see the Cash Flow Modeling Assumptions And Results section).
- The timely interest and principal payments by the legal final maturity date made under

stressed cash flow modeling scenarios that we deem appropriate for the assigned preliminary ratings.

- The expectation that under a moderate ('BBB') stress scenario (1.80x our expected loss level), all else being equal, our ratings will be within the limits specified within the credit stability section of "S&P Global Ratings Definitions," published Nov. 10, 2021.
- The collateral characteristics of the pool, which includes 62.28% of direct-originated loans. Direct loans, historically, have lower losses than indirect-originated loans.
- The transaction will include prefunding of approximately $62.33 million, about 20% of the pool. The subsequent receivables, with eligibility criteria similar to those established for the initial receivables pool, are expected to be transferred into the trust within three months from the closing date.
- Stellantis Financial Services Inc.'s (SFS; doing business as First Investors Financial Services [First Investors]) 31-year history of originating and underwriting auto loans, 24-year history of self-servicing auto loans, 22-year track record of securitizing auto loans, and 26 years of origination static pool data, segmented by direct and indirect loans.
- The transaction's sequential payment and credit structure, which builds credit enhancement, based on a percentage of receivables as the pool amortizes.

Environmental, Social, And Governance (ESG) Factors

Our rating analysis considers a transaction's potential exposure to ESG credit factors. For the auto ABS sector, we view the exposure to environmental credit factors as above average, to social credit factors as average, and to governance credit factors as below average (see "ESG Industry Report Card: Auto Asset-Backed Securities," published March 31, 2021).

In our view, the transaction's environmental and governmental credit factors are in line with our sector benchmark. Environmental credit factors are generally viewed as above average, given that the collateral pool primarily comprise vehicles with internal combustion engines (ICE), which create emissions of pollutants, including greenhouse gases. While the adoption of electric vehicles and future regulation could in time lower ICE vehicle values, we believe that our current approach to evaluating recovery and residual values adequately accounts for vehicle values over the transaction's relatively short expected life. As a result, we have not separately identified this as a material ESG credit factor in our analysis.

In our view, the transaction has relatively higher exposure to social credit factors than our sector benchmark due to the transactions' pool of subprime obligors versus the benchmark's pool of prime obligors, which, given the elevated interest rate and affordability considerations for these subprime borrowers, could increase legal and regulatory risks if the validity of the contracts or the servicer's collection practices are challenged. We believe this risk is mitigated by representations made by the issuer that each loan complied with all laws when it was originated. In addition, the issuer has a compliance department that manages its adherence to all applicable laws.

In our view, the transaction has relatively higher exposure to governance credit factors than our sector benchmark, given that 20% of collateral pool is prefunded and the originator's more active role during the prefunding period, exposing investors to the risk of loosening underwriting standards or potential adverse selection. To account for this risk, we assumed that the pool's composition will migrate to the lowest credit quality allowable by the transaction's pool composition tests (see the S&P Global Ratings' Expected Loss section below for more information).

Changes From FIAOT 2021-2

Structure

The structural changes from the series 2021-2 transaction include the following:

- The initial hard credit enhancement (including subordination, overcollateralization, and the reserve account) for classes A, B, C, and D increased to 27.45%, 22.10%, 13.50%, and 6.41% from 24.75%, 18.00%, 9.75%, and 4.50%, respectively; and remained unchanged for class E at 1.50%.
- Subordination for classes A, B, C, and D increased to 25.95%, 20.60%, 12.00%, and 4.90% from 23.25%, 16.50%, 8.25%, and 3.00%, respectively.
- The overcollateralization target increased to 5.75% from 3.00%. There is no change to the initial and floor overcollateralization percentages and the reserve percentage
- The estimated excess spread is 7.82% (pre pricing), compared with 10.58% (post pricing) for series 2021-2.

Collateral

Compared with the series 2022-1 initial pool as of the Jan. 31, 2022, cutoff date, before prefunding, the collateral composition changes from the series 2021-2 statistical collateral pool include the following:

- The percentage of direct contracts increased to 62.28% from 44.91%.
- The percentage of long-term loans (those with an original term of 67 months to 72 months) has decreased to 92.28% from 93.05%.
- The percentage of new vehicles decreased to 5.22% from 15.55% and percentage of used vehicles increased to 94.78% from 84.45%.
- The weighted average loan-to-value (LTV) ratio decreased to 113% from 119%, while direct contract originations LTV decreased to 107% from 119% and indirect contract originations LTV increased to 122% from 119%.

We believe the collateral characteristics of the series 2022-1 pool are relatively stronger compared with series 2021-2 due to the increased proportion of direct contract originations, which perform relatively better than indirect contract originations (see the Collateral Pool section below) FIAOT's outstanding transactions are also performing better than our prior expectations (see the FIAOT Securitization Performance section below) and monthly extension rates on securitized pools have declined since their peak in early 2020. Our analyses incorporate our view of the latest developments and our most recent macroeconomic outlook, which incorporates a baseline forecast for U.S. GDP growth and unemployment rates (see "Economic Outlook U.S. Q1 2022: Cruising At A Lower Altitude," published Nov. 29, 2021). Considering these factors, our expected CNL for the series 2022-1 transaction is in the 9.25%-9.75% range, a decline from 9.75%-10.25% for series 2021-2.

Key Ratings Considerations

Based on our review of First Investors' operations, we considered the following factors in rating this transaction:

- The senior management team's average tenure of more than 17 years with the company. Further, management has successfully navigated the company through severe industry and economic cycles (including 1996-1998, 2001-2003, 2007-2010, and the current highly competitive period).
- The company's profitable operations.
- According to management, SFS conducts verifications on almost all obligors' income, employment, residence, and insurance before funding.
- The company's diversified business model. SFS' business model encompasses indirect and direct originations, various alliance channels, portfolio acquisitions, and third-party servicing. This provides the company with a unique perspective on subprime consumers and a diversified mix of business that has helped it weather difficult economic periods.
- SFS' focus on a narrower credit spectrum than many of its larger competitors in subprime auto lending.
- On Nov. 1, 2021, Stellantis N.V. announced the completion of its acquisition of F1 Holdings Corp. (F1HC), parent company to First Investors Financial Service Group.

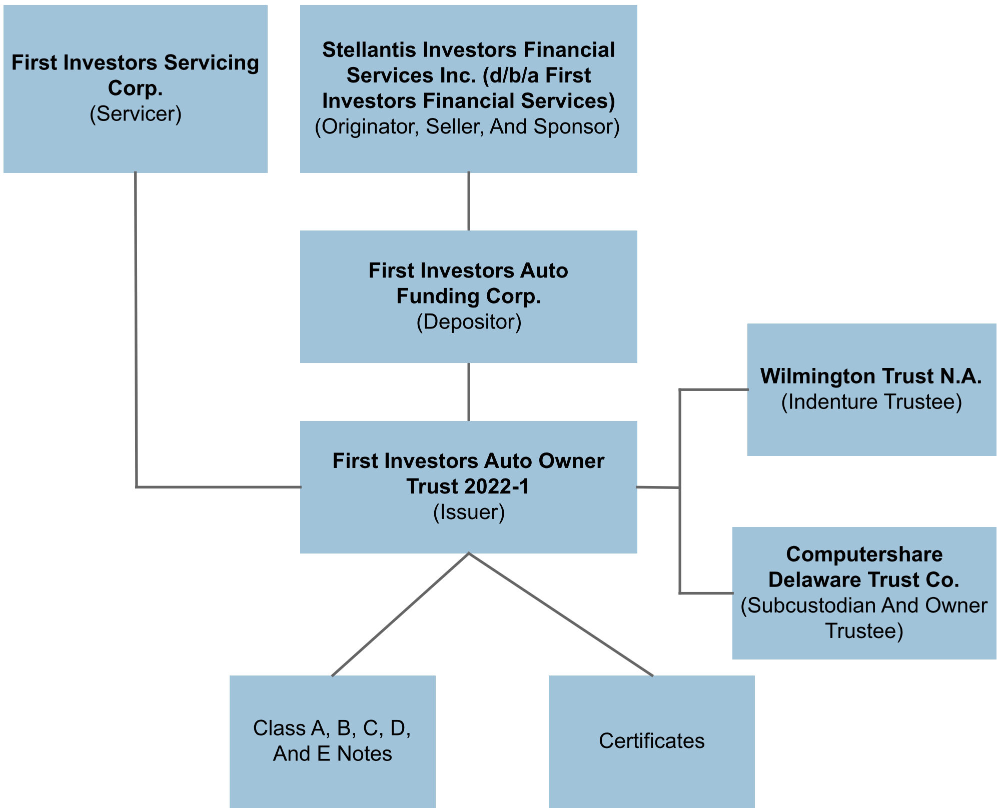
Transaction And Legal Overview

SFS is the receivables originator and a consumer finance company that is now an indirect, wholly owned subsidiary of Stellantis N.V. SFS purchases dealer-originated auto loans on new and used vehicles (indirect loans) and makes auto loans directly to consumers to refinance existing auto loans (direct loans).

The transaction is structured as a true sale of the receivables from SFS, the originator and seller, to First Investors Auto Funding Corp., the depositor and wholly owned bankruptcy-remote special-purpose subsidiary (see chart 1). First Investors Auto Funding Corp. will transfer the receivables to FIAOT 2022-1, a newly formed special-purpose Delaware statutory trust and the issuer of the series 2022-1 notes, which will pledge its interest in the receivables and security interests in the vehicles to the indenture trustee for the noteholders' benefit.

Chart 1

Transaction Structure



D/B/A--Doing business as.

On Sept. 1, 2021, F1HC announced that it had entered into an agreement to merger with an affiliate of Stellantis NV, one of the world's leading automakers. In connection with the merger, which closed on Nov. 1, 2021, F1HC was renamed Stellantis Financial Services US Corp. (SFSUS), and the seller's (and originator's and sponsor's) legal name was changed to SFS. In addition, Wilmington Trust N.A. will be the bank account provider and indenture trustee for this transaction, while Computershare Trust Co. N.A. will be the owner trustee and subcustodian, and Stellantis Financial Services will be the custodian.

There will be no backup servicer for this transaction. In previous First Investor transactions, these roles, except for subcustodian, were held by Wells Fargo Bank N.A. The roles and responsibilities of the new transaction parties, according to the transaction's documents, are expected to be the same as those of the previous counterparties.

In rating this transaction, S&P Global Ratings will review the legal matters it believes are relevant to its analysis.

Transaction Structure

The series 2022-1 transaction will employ a sequential principal payment structure among the class A, B, C, D, and E notes. That is, the senior class will be paid in full before payment is made to the subordinated classes. For example, class A notes will be paid in full before the class B notes receive principal distributions. The sequential-pay mechanism builds credit enhancement, on a percentage basis, for the rated notes as the pool amortizes.

The transaction's structure incorporates a 1.50% nondeclining reserve account. It has an initial overcollateralization amount of 0.00%, and will build to a target of 5.75% of the current pool balance, subject to a floor of 0.50% of the initial and prefunded pool balance. We expect the pool to generate approximately 7.82% excess spread per year.

The transaction will include prefunding equal to approximately 20% of the pool. We expect the subsequent receivables to be transferred into the trust within three months from the closing date. The prefunding criteria characteristics include an original maturity of no more than 72 months, a weighted average annual percentage rate (APR) of at least 14.00%, and a minimum weighted average FICO score of 585. At least 60% of the subsequent receivables will be originated through the direct program, with no more than 25% having a payment to income greater than or equal to 13.00%.

Payment Structure

Payment distributions

The class A, B, C, D, and E notes will total $311.64 million and pay a fixed interest rate. Interest and principal are scheduled to be paid monthly on the 15th of each month or the next business day, beginning March 15, 2022. On each payment date, distributions will be made from available funds according to the payment priority outlined in table 1. In addition, the funds in the reserve account will be available to cover fees, interest shortfalls, parity principal payments, and principal payments that are due on the notes' final maturity date.

Table 1

Payment Waterfall

Priority	Payment
1	To the servicer, the annual 2.00% servicing fee for the preceding month plus any overdue monthly servicing fees for previous months.
2	To the backup servicer, indenture trustee, custodian, and owner trustee (in its individual capacity), respectively, any unpaid fees and expenses (including attorneys' fees and transition expenses), subject to certain limitations set forth in the transaction documents.
3	To the note payment account, for distribution to the class A noteholders, the class A monthly interest for that payment date, any overdue class A monthly interest for previous payment dates, and interest on any overdue class A monthly interest payable at the interest rate applicable to each class A note.
4	To the note payment account, for distribution to the noteholders, the amount necessary to reduce the class A notes' principal balance to the pool balance (and prefunding account).
5	To the note payment account, the amount necessary to pay the remaining principal balance of any of the class A notes on its final maturity date.

Table 1

Payment Waterfall (cont.)

Priority	Payment
6	To the note payment account, for distribution to the class B noteholders, the class B monthly interest for that payment date, any overdue class B monthly interest for previous payment dates, and interest on any overdue class B monthly interest payable at the interest rate applicable to the class B notes.
7	To the note payment account, for distribution to the noteholders, the amount necessary after giving effect to any payments made under items 4 and 5 above to reduce the class A and B notes' combined principal balance to the pool balance (and prefunding account).
8	To the note payment account, the amount necessary to pay the class B notes' remaining principal balance on the final maturity date.
9	To the note payment account, for distribution to the class C noteholders, the class C monthly interest for that payment date, any overdue class C monthly interest for previous payment dates, and interest on any overdue class C monthly interest payable at the interest rate applicable to the class C notes.
10	To the note payment account, for distribution to the noteholders, the amount necessary after giving effect to any payments made under items 4, 5, 7, and 8 above to reduce the class A, B, and C notes' combined principal balance to the pool balance (and prefunding account).
11	To the note payment account, the amount necessary to pay the class C notes' remaining principal balance on the final maturity date.
12	To the note payment account, for distribution to the class D noteholders, the class D monthly interest for that payment date, any overdue class D monthly interest for previous payment dates, and interest on any overdue class D monthly interest payable at the interest rate applicable to the class D notes.
13	To the note payment account, for distribution to the noteholders, the amount necessary after giving effect to any payments made under items 4, 5, 7, 8, 10, and 11 above to reduce the class A, B, C, and D notes' combined principal balance to the pool balance (and prefunding account).
14	To the note payment account, the amount necessary to pay the class D notes' remaining principal balance on the final maturity date.
15	To the note payment account, for distribution to the class E noteholders, the class E monthly interest for that payment date, any overdue class E monthly interest for previous payment dates, and interest on any overdue class E monthly interest payable at the interest rate applicable to the class E notes.
16	To the note payment account, for distribution to the noteholders, the amount necessary after giving effect to any payments made under items 4, 5, 7, 8, 10, 11, 13, and 14 above to reduce the class A, B, C, D, and E notes' combined principal balance to the pool balance (and prefunding account).
17	To the note payment account, the amount necessary to pay the class E notes' remaining principal balance on the final maturity date.
18	To the reserve account, the amount required to increase the amount on deposit in the reserve account to the required reserve account amount, if any, for that payment date.
19	To the note payment account for distribution to the noteholders, the accelerated principal amount to build overcollateralization to its target level.
20	To the owner trustee (in its individual capacity), indenture trustee, custodian, and back-up servicer, any other amounts due under the transaction documents.
21	Any remaining available funds to the trust for disbursement according to the trust agreement.

Events Of Default

Any one of the following events will constitute an event of default:

- Failure to make any required interest payment on the controlling class of notes, which remains uncured for five or more business days;

- Failure to make any required principal payment on any class of notes on its final scheduled payment date;
- Failure to observe or perform any material covenant or agreement in the transaction documents, which is uncured for 30 days;
- Any issuer representation or warranty that proves to have been materially incorrect, remaining uncured for 30 days; and
- The trust's bankruptcy, insolvency, receivership, or liquidation.

Payment distributions following event of default

On each payment date following an event of default (other than those relating to a covenant, representation, or warranty breach) after paying certain amounts to the indenture trustee, custodian, owner trustee, servicer, and backup servicer, available funds will be distributed according to the payment priority outlined in table 2.

Table 2

Payment Waterfall

Priority	Payment
1	The class A note interest to the class A noteholders.
2	The class A principal to the class A noteholders until the class A note balance has been reduced to zero.
3	The class B note interest to the class B noteholders.
4	The class B note principal to the class B noteholders until the class B note balance has been reduced to zero.
5	The class C note interest to the class C noteholders.
6	The class C note principal to the class C noteholders until the class C note balance has been reduced to zero.
7	The class D note interest to the class D noteholders.
8	The class D note principal to the class D noteholders until the class D note balance has been reduced to zero.
9	The class E note interest to the class E noteholders.
10	The class E note principal to the class E noteholders until the class E note balance has been reduced to zero.
11	To the trust for disbursement according to the trust agreement, any remaining available funds.

On each payment date following an event of default relating to a breach of a covenant, representation, or warranty under the indenture and the notes' subsequent acceleration after paying certain amounts to the indenture trustee, custodian, owner trustee, servicer, and backup servicer, available funds will be distributed according to the payment priority outlined in table 3.

Table 3

Payment Waterfall

Priority	Payment
1	The class A interest to the class A noteholders.
2	Any amount necessary for class A note parity.
3	Any amount necessary for class A legal final maturity.
4	The class B note interest to the class B noteholders.
5	Any amount necessary for class B note parity.

Table 3

Payment Waterfall (cont.)

Priority	Payment
6	Any amount necessary for class B legal final maturity.
7	The class C note interest to the class C noteholders.
8	Any amount necessary for class C note parity.
9	Any amount necessary for class C legal final maturity.
10	The class D note interest to the class D noteholders.
11	Any amount necessary for class D note parity.
12	Any amount necessary for class D legal final maturity.
13	The class E note interest to the class E noteholders.
14	Any amount necessary for class E note parity.
15	Any amount necessary for class E legal final maturity.
16	The class F note interest to the class E noteholders.
17	Any amount necessary to satisfy the reserve requirement.
18	Principal to the class A notes until paid in full, then to the class B notes until paid in full, then to the class C notes until paid in full, then to the class D notes until paid in full, and then to the class E notes until paid in full (full turbo to the noteholders).
19	Any amounts due to the owner trustee (in its individual capacity), indenture trustee, custodian, servicer, and backup servicer under the transaction documents and not paid previously.
20	Any remaining available funds to the depositor account.

Managed Portfolio

For the eight months ended Dec. 31, 2021, the portfolio receivables totaled $0.98 billion, representing a 12% increase year over year and a 13% increase compared with fiscal year ended April 30, 2021. Annualized net losses decreased to 1.70% as of the eight months ended Dec. 31, 2021, compared with 2.84% a year earlier. We partially attribute this to the enhancement unemployment benefits, the government stimulus payments provided to qualified individuals, and the portfolio's strong recovery rate due to supply constraints in the auto market. However, total delinquencies increased to 3.23% from 2.98%, driven by elevated 90-day delinquency rates.

Table 4

Managed Portfolio

	Eight months ended Dec. 31		Fiscal year ended April 30						
	2021	2020	2021	2020	2019	2018	2017	2016	2015
Current principal balance (mil. $)	985.79	878.89	869.66	998.39	1,064.12	1,110.91	1,171.48	1,134.02	1,151.07
Delinquencies (%)(i)									
30-59 days	5.88	5.94	3.07	5.01	5.89	5.44	4.54	3.35	2.15
60-89 days	2.00	2.10	1.05	1.57	1.68	1.61	1.38	0.80	0.64
90-plus days	1.23	0.88	0.41	0.84	0.91	1.00	0.80	0.51	0.51

Table 4

Managed Portfolio (cont.)

Total 60-plus days	3.23	2.98	1.45	2.42	2.59	2.61	2.18	1.31	1.15
Credit loss									
Average principal balance (mil. $)	926.69	933.02	912.85	1,039.52	1,082.33	1,168.50	1,153.65	1,159.68	1,076.84
Net losses (mil. $)	10.51	17.66	25.51	52.32	55.48	66.00	57.96	55.41	43.13
Net losses as a % of average principal balance(ii)	1.70	2.84	2.79	5.03	5.13	5.65	5.06	4.78	4.01

(i)The delinquency period is based on the number of days payments are contractually past due. (ii)Annualized.

Collateral Pool

As of Jan. 31, 2022, the initial pool comprised approximately $249.32 million in automobile loans. The total expected pool balance, including the prefunding collateral, will be $311.65 million. We do not expect the final pool (after prefunding of $62.33 million in additional receivables by April 30, 2022, which is approximately 20% of the expected pool balance as of the initial cutoff date of Jan. 31, 2022) to differ materially from the initial pool (see table 5).

Table 5

Collateral Characteristics(i)

	FIAOT							
	2022-1	**2021-2**	**2021-1**	**2020-1**	**2019-2**	**2019-1**	**2018-2**	**2018-1**
Collateral cutoff date	Jan. 31, 2022	Jun. 30, 2021	Dec. 31, 2020	Jan. 31, 2020	Sep. 30, 2019	Feb. 28, 2019	Oct. 31, 2018	Apr. 30, 2018
Collateral balance ($)	249,318,680	211,859,480	185,192,383	120,393,794	179,328,483	125,589,015	165,965,976	132,822,432
No. of receivables	11,136	10,646	9,915	7,602	9,397	6,590	8,500	6,917
Avg. principal balance ($)	22,389	19,900	18,678	15,837	19,084	19,058	19,525	19,202
Percentage (%)								
Prefunding	20.00	20.00	20.00	22.00	16.30	20.00	17.02	18.77
Indirect loan	37.72	51.64	52.05	59.92	56.75	35.35	54.12	56.35
Direct loan	62.28	44.91	47.95	40.08	43.25	64.65	45.88	43.65
New	5.22	15.55	9.85	14.66	8.61	8.15	18.11	19.40
Used	94.78	84.45	90.15	85.34	91.39	91.85	81.89	80.60
Weighted average								
APR (%)	12.97	13.97	14.67	14.59	14.52	13.49	13.78	13.76
Original term (months)	70.96	71.08	70.73	69.93	70.00	68.19	69.36	69.48

Table 5

Collateral Characteristics(i) (cont.)

	FIAOT							
	2022-1	2021-2	2021-1	2020-1	2019-2	2019-1	2018-2	2018-1
Remaining (months)	68.61	67.00	66.42	60.62	67.00	65.36	66.69	66.31
Seasoning (months)	2.35	4.07	4.31	9.31	3.00	2.83	2.67	3.17
FICO score	594	594	581	580	583	595	593	589
LTV ratio (%)	113	119	124	127	127	131	125	125
Original term (%)								
Less than or equal to 60 months	6.29	5.25	6.50	8.07	9.31	14.19	10.74	9.90
61-66 months	1.43	1.70	2.70	6.56	6.79	12.43	13.78	8.27
67-72 months	92.28	93.05	90.80	85.37	83.90	73.38	75.48	81.83
State concentrations (%)								
	TX:17.88	TX:19.86	TX:12.48	TX:11.85	TX:12.32	TX:12.95	TX:12.36	TX:13.38
	FL:8.06	CA:8.17	CA:7.66	GA:8.47	GA:7.63	CA:9.75	CA:8.42	CA:10.49
	GA:7.43	FL:7.12	GA:7.60	OH:7.20	OH:7.15	GA:7.65	GA:8.36	GA:7.56
	CA:6.97	GA:7.10	OH:6.79	AZ:6.73	IL:6.31	FL:6.00	OH:6.92	OH:7.19
	NC:6.29	NC:6.88	FL:6.75	CA:6.70	CA:6.18	OH:5.69	AZ:5.77	NC:5.53
Initial expected CNL (%)	9.25-9.75	9.75-10.25	11.75-12.25	10.75-11.25	10.75-11.25	9.75-10.25	11.75-12.25	11.75-12.25

(i)The series 2022-1 pool is as of the initial date, while the other series are as of the statistical date. Does not include prefunding. FIAOT--First Investors Auto Owner Trust. APR--Annual percentage rate. LTV--Loan to value. CNL--Cumulative net loss.

FIAOT Securitization Performance

First Investors has nine outstanding public FIAOT ABS transactions rated by S&P Global Ratings (see table 6 and charts 2 and 3). On Dec. 2, 2021, we raised our ratings on 23 classes and affirmed our ratings on six classes from seven transactions (see "Twenty-Three Ratings Raised And Six Affirmed On Seven First Investors Auto Owner Trust Transactions," published Dec. 2, 2021).

We will continue to monitor the transaction's performance, including industry data and transaction-level performance reports.

Table 6

FIAOT Performance (%)

As of the Dec. 2021 distribution date

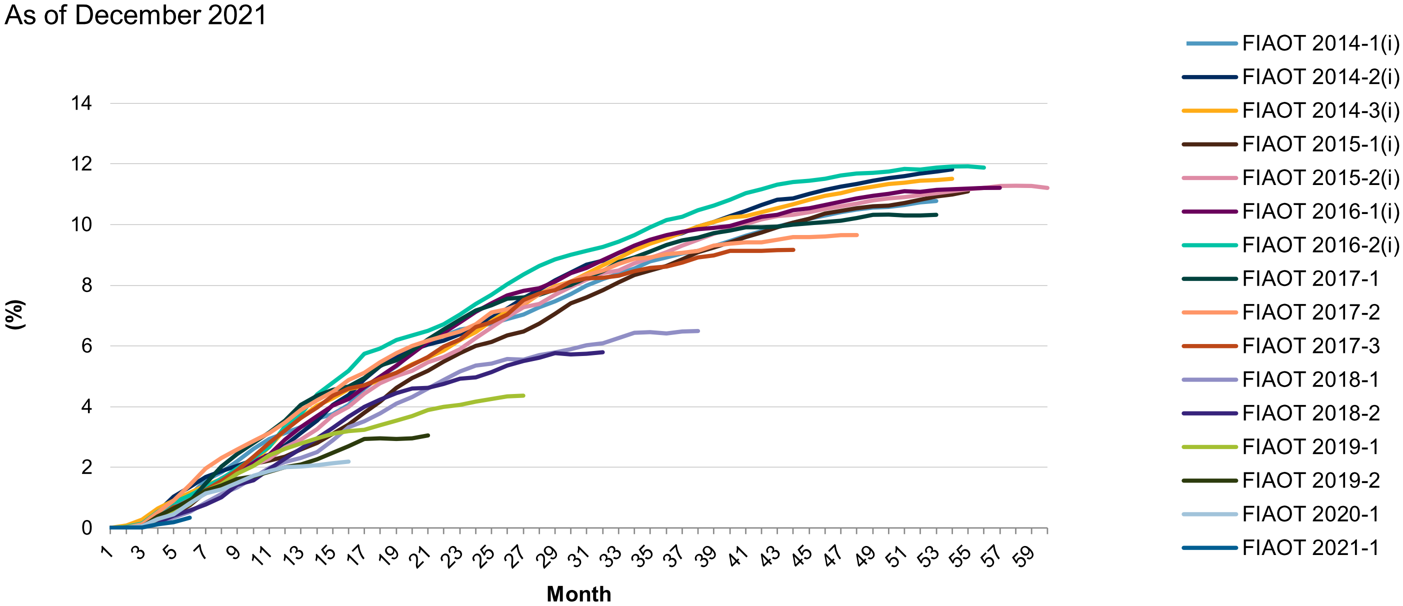
Series	Month	Pool factor	CNL	60 plus-day delinquency	Initial lifetime expected CNL	Current lifetime expected CNL (i)
2017-2	53	11.01	9.75	5.60	10.25-10.75	Up to 9.85
2017-3	49	13.94	9.30	6.73	10.75-11.25	Up to 9.60
2018-1	43	17.13	6.66	4.89	11.75-12.25	6.75-7.25
2018-2	37	22.10	6.01	5.10	11.75-12.25	6.75-7.25
2019-1	32	25.24	4.69	4.16	9.75-10.25	6.25-6.75
2019-2	26	34.68	3.54	4.20	10.75-11.25	6.25-6.75
2020-1	21	37.68	2.86	4.56	10.75-11.25	6.25-6.75
2021-1	11	63.40	1.22	2.95	11.75-12.25	N/A
2021-2	4	93.90	0.44	2.46	9.75-10.25	N/A

(i)Revised December 2021. FIAOT--First Investors Auto Owner Trust. CNL--Cumulative net loss. N/A--Not applicable

Chart 2

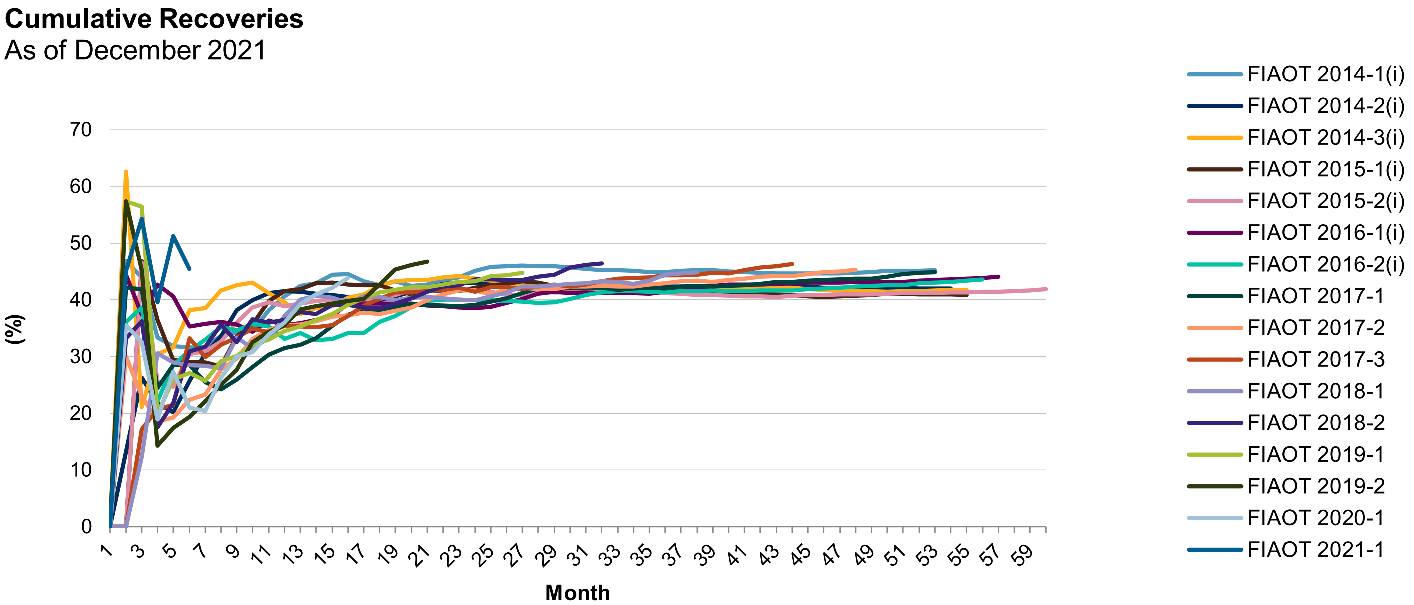
Cumulative Net Losses

As of December 2021



(i)Paid off. FIAOT--FIAOT. First Investors Auto Trust.

Chart 3



(i)Paid off. FIAOT--FIAOT. First Investors Auto Trust.

S&P Global Ratings' Expected Loss: 9.25%-9.75%

To derive our base-case expected loss for the series 2022-1 transaction, we analyzed the performance of First Investors' quarterly CNL static pool data by origination channel (see charts 4a-4c below) and the outstanding FIAOT transactions (see charts 2 and 3 above).

We expect the collateral pool backing the series 2022-1 notes to experience lifetime CNLs of 9.25%-9.75%. Our assessment reflects our analysis of the loss performance for the origination static pools applied to the transaction, including a potential shift in the composition due to the prefunding, prior FIAOT securitizations' performance, peer comparison, and our forward-looking view of the economy.

Chart 4a

Total Origination Static Pool Performance-Cumulative Net Losses

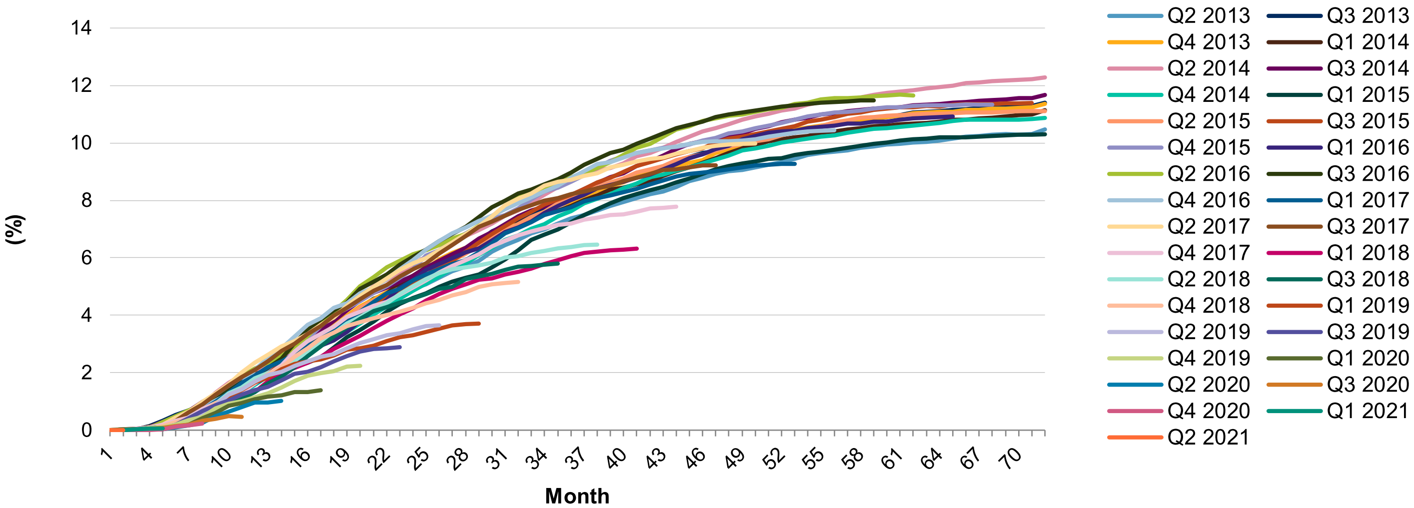


Chart 4b

Direct Origination Static Pool Performance-Cumulative Net Losses

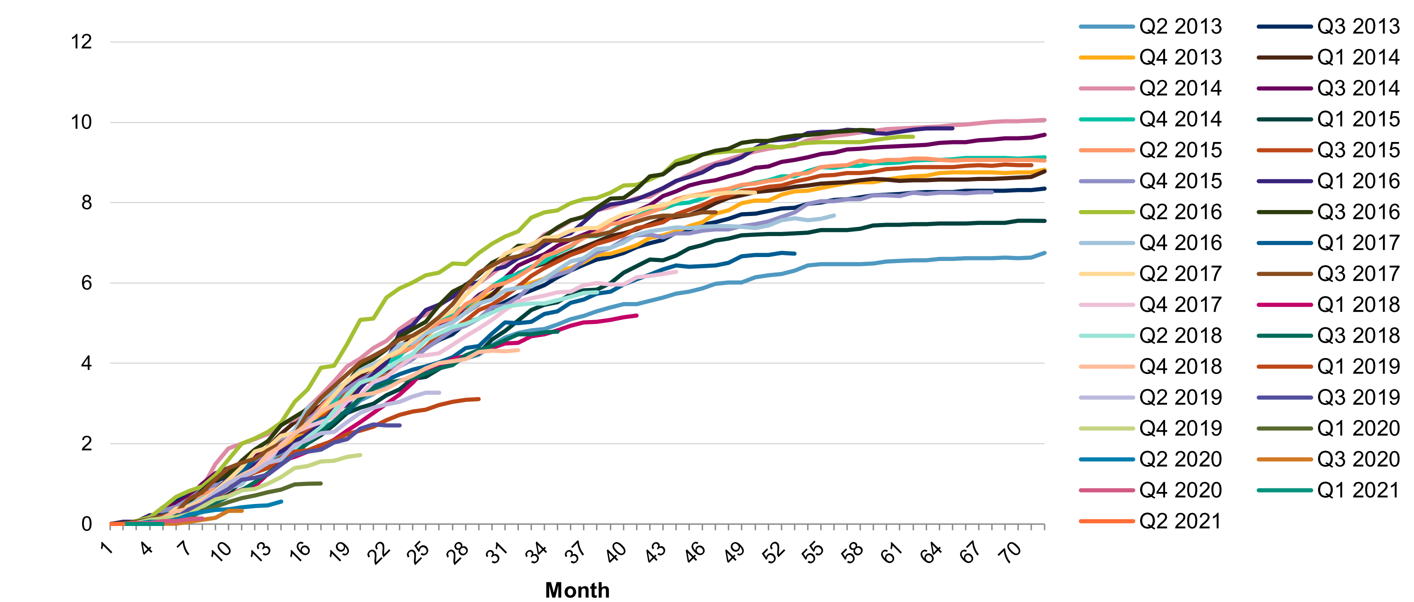
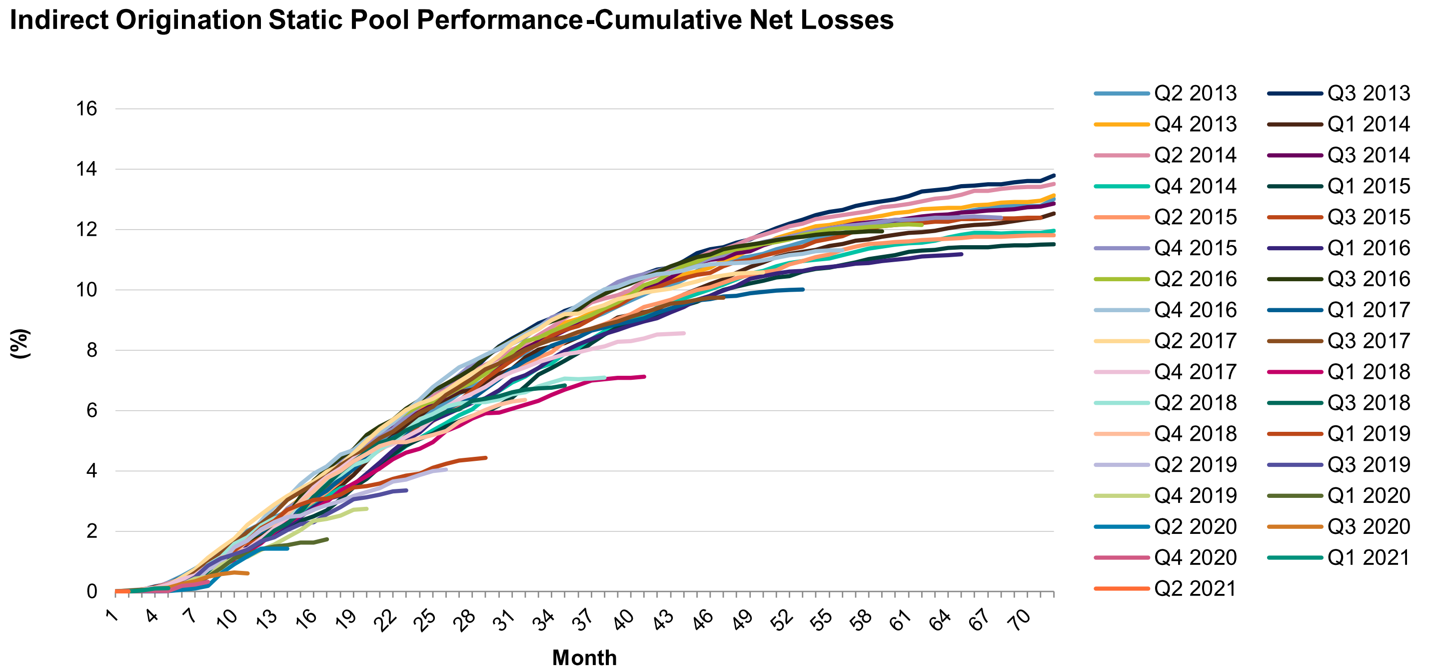


Chart 4c



Cash Flow Modeling Assumptions And Results

We used the following assumptions to model the series 2022-1 transaction to simulate stress scenarios that we believe are appropriate for the preliminary ratings (see table 7).

Table 7

Cash Flow Assumptions/Results

	Class				
	A	B	C	D	E
Front-loaded loss curve					
Rating	AAA (sf)	AA (sf)	A (sf)	BBB (sf)	BB- (sf)
Net loss timing (12/24/36/48/60) (%)	30/62/89/100	29/60/85/100	29/60/85/100	29/60/85/100	29/60/85/100
ABS voluntary prepayments (%)	1.2	1.2	1.2	1.2	1.2
Recoveries (%)	40	40	40	40	40
Recovery lag (mos.)	4	4	4	4	4
Servicing fee (%)	2.00	2.00	2.00	2.00	2.00
Approximate cumulative net loss break-even level (%)(i)	35.90	31.22	24.34	18.63	15.31

Table 7

Cash Flow Assumptions/Results (cont.)

	Class				
	A	B	C	D	E
Back-loaded loss curve					
Rating	AAA (sf)	AA (sf)	A (sf)	BBB (sf)	BB- (sf)
Net loss timing (12/24/36/48/60) (%)	22/57/92/100	20/52/84/100	19/50/80/95/100	19/50/80/95/100	19/50/80/95/100
ABS voluntary prepayments (%)	1.2	1.2	1.2	1.2	1.2
Recoveries (%)	40	40	40	40	40
Recovery lag (mos.)	4	4	4	4	4
Servicing fee (%)	2.00	2.00	2.00	2.00	2.00
Approximate cumulative net loss break-even level (%)(i)	35.99	31.76	24.69	18.98	14.80

(i)The maximum cumulative net losses on the pool, with 00% credit given to excess spread, that the transaction can withstand without a payment default on the relevant classes of notes. Our stressed cashflows assume a 10% haircut to excess spread. ABS--Absolute prepayment speed.

Using the expected net loss of 9.25%-9.75% and applying the above stresses, the break-even results show that, under both front- and back-loaded loss curves, each class is enhanced to the degree necessary to withstand a stressed net loss level that is consistent with our preliminary ratings.

Sensitivity Analysis

In addition to analyzing break-even cash flows, we conducted a sensitivity analysis to see how the preliminary ratings on the class A, B, C, D, and E notes could be affected by losses that are moderately higher than what we currently expect (see table 8 and charts 5).

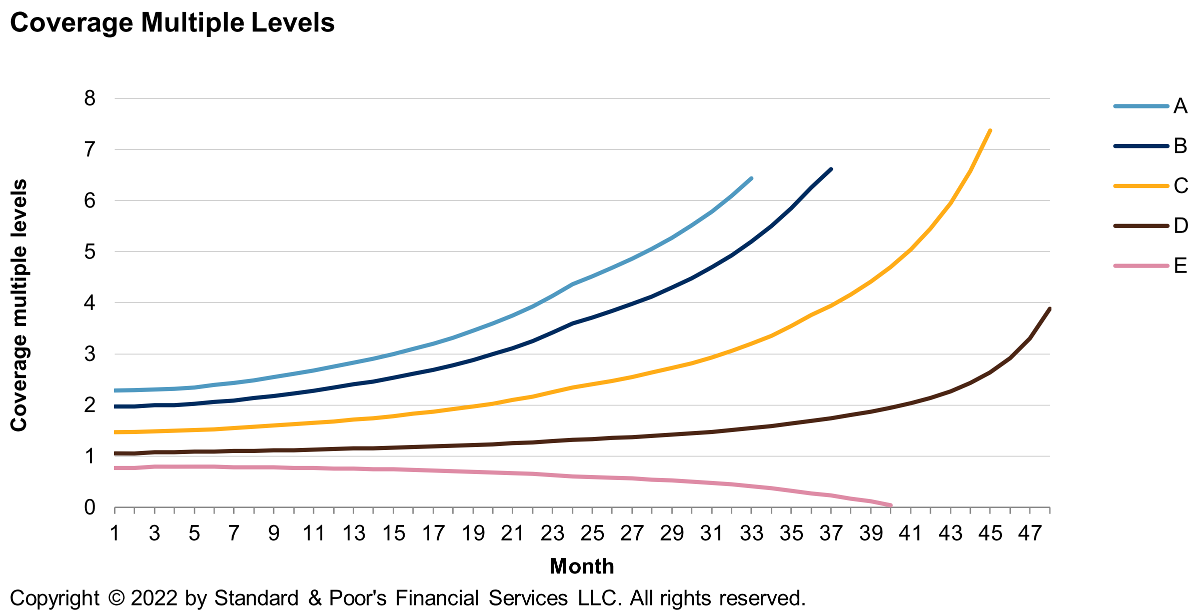
Table 8

Scenario Analysis Summary—-Moderate Loss Scenario

Loss level (multiple)	1.80x base case
Cumulative net loss (%)	17.10
Cumulative net loss timing (12/24/36/48/60) (%)	24/60/80/95/100
ABS voluntary prepayments (%)	1.20
Recoveries (%)	40.00
Recovery lag (mos.)	4
Servicing fee (%)	2.00

ABS--Absolute prepayment speed.

Chart 5



Under a moderate ('BBB') stress scenario (1.80x our expected loss level), all else being equal, our preliminary 'AAA (sf)', 'AA (sf)', 'A (sf)', 'BBB (sf)', and 'BB- (sf)' ratings on the class A, B, C, D, and E notes, respectively, will be within the credit stability limits specified by section A.4 of the appendix contained in "S&P Global Ratings Definitions," published Nov. 10, 2021.

Legal Final Maturity

We assessed the notes' legal final maturity dates, based on our criteria. In a zero-loss, zero-prepayment scenario, the tranches were each fully amortized before their respective legal final maturity dates. To accommodate for extensions on the receivables in our analysis, we added 12 months to the legal final maturity date for the longest-dated security (class E) plus three months for the prefunding period. Furthermore, in the break-even scenario for each respective rating level, we confirmed that there was sufficient credit enhancement to cover losses and repay the related notes in full by their legal final maturity.

SFS (Doing Business As First Investors)

SFS was founded in 1989 by the current president and CEO, Tommy A. Moore, Jr. Together with its wholly owned subsidiaries, SFS is a consumer finance company that originates investment retail installment sales contracts and promissory notes. The company also originates receivables secured by new and used automobiles and light trucks sold by manufacturer-authorized franchised dealers (indirect loans) or through refinancing transactions with the vehicle owners (direct loans). SFS has historically specializes in lending to consumers with impaired credit profiles. In addition, the company also purchases receivables in portfolio acquisitions or from other third-party originators, and it performs third-party servicing and collection activities for unaffiliated parties. First Investors currently operates in 47 states.

On Oct. 31, 2012, FIFS Holdings Corp. (FIFSHC) acquired SFS, which was an indirect wholly owned subsidiary and principal operating entity of FIFSHC. FIFSHC was a holding company organized under Delaware law and headquartered in New York. On Nov. 1, 2021, Stellantis N.V. announced the completion of the acquisition of F1HC. As part of the merger, F1HC was renamed Stellantis Financial Services U.S. Corp. The seller's executive management team will remain in place, and no changes are expected in the seller's business strategies.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- Criteria | Structured Finance | General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- General Criteria: Global Investment Criteria For Temporary Investments In Transaction Accounts, May 31, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- Criteria | Structured Finance | ABS: General Methodology And Assumptions For Rating U.S. Auto Loan Securitizations, Jan. 11, 2011
- Criteria | Structured Finance | General: Methodology For Servicer Risk Assessment, May 28, 2009

Related Research

- Economic Research: U.S. Real-Time Data: Economic Activity Slows As Omicron Takes Center Stage, Jan. 14, 2022
- Global Structured Finance 2022 Outlook, Jan. 12, 2022
- Credit Conditions: North America: As Recovery Rolls On, Inflation Risks Remain, Dec. 1, 2021
- Twenty-Three Ratings Raised And Six Affirmed On Seven First Investors Auto Owner Trust Transactions, Dec. 2, 2021
- Economic Outlook U.S. Q1 2022: Cruising At A Lower Altitude, Nov. 29, 2021