S&P Global Ratings

Research

Presale:

DT Auto Owner Trust 2021-1

January 14, 2021

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Preliminary Ratings

Class	Prelim rating	Type	Interest rate	Prelim amount (mil. $)(i)	Expected legal final maturity date
A	AAA (sf)	Senior	Fixed	186.00	Jan. 15, 2025
B	AA (sf)	Subordinate	Fixed	38.00	Sept. 15, 2025
C	A (sf)	Subordinate	Fixed	60.00	Oct. 15, 2026
D	BBB- (sf)	Subordinate	Fixed	42.00	Nov. 16, 2026
E	BB- (sf)	Subordinate	Fixed	20.00	Jan. 18, 2028

Note: This presale report is based on information as of Jan. 14, 2021. 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 size of these tranches will be determined on the pricing date.

Profile

Expected closing date	Jan. 27, 2021.
Collateral	Subprime auto loan receivables.
Originator	DriveTime Car Sales Co. LLC.
Transferor, sponsor, and servicer	Bridgecrest Acceptance Corp.(i).
Seller	DT Receivables Co. 21-1 LLC.
Issuer	DT Auto Owner Trust 2021-1.
Standby servicer, custodian, and indenture trustee	Wells Fargo Bank N.A. (A+/Stable/A-1).
Owner trustee	Wilmington Trust N.A.
Lead underwriter	Wells Fargo Securities LLC.

(i)Formerly known as DT Acceptance Corp., Bridgecrest Acceptance Corp. is the parent company of Bridgecrest Credit Co. LLC (the servicer of series 2017-4) and the servicing guarantor of all outstanding series. As servicer, it will be responsible for servicing, administering collections on, and otherwise enforcing the auto loans.

Credit Enhancement Summary

	DTAOT 2021-1	DTAOT 2020-3	DTAOT 2020-2	DTAOT 2020-1	DTAOT 2019-4	DTAOT 2019-3	DTAOT 2019-2	DTAOT 2019-1	DTAOT 2018-3
Preliminary rating									
Class A	AAA (sf)	AAA (sf)	AAA (sf)	AAA (sf)	AAA (sf)	AAA (sf)	AAA (sf)	AAA (sf)	AAA (sf)
Class B	AA (sf)	AA (sf)	AA (sf)	AA (sf)	AA (sf)	AA (sf)	AA (sf)	AA (sf)	AA (sf)
Class C	A (sf)	A (sf)	A (sf)	A (sf)	A (sf)	A (sf)	A (sf)	A (sf)	A (sf)
Class D	BBB- (sf)	BBB- (sf)	BBB (sf)	BBB (sf)	BBB (sf)	BBB (sf)	BBB (sf)	BBB (sf)	BBB (sf)
Class E	BB- (sf)	BB- (sf)	BB- (sf)	BB (sf)	BB (sf)	BB (sf)	BB (sf)	BB (sf)	BB (sf)
Subordination (% of the initial receivables)(i)									
Class A	40.00	39.50	38.55	45.85	45.85	43.70	42.75	42.75	41.40
Class B	30.50	28.80	28.20	35.35	35.35	34.10	32.75	33.25	32.00
Class C	15.50	13.10	13.20	20.35	20.35	18.90	19.50	20.25	21.10
Class D	5.00	4.70	7.25	6.85	6.85	4.60	8.00	7.75	8.20
Class E	N/A	N/A	N/A	N/A	0.00	N/A	N/A	N/A	N/A
Overcollateralization (% of the initial receivables)									
Initial	13.50	17.75	19.60	13.40	13.40	14.25	17.00	17.00	18.30
Target(ii)	18.60	23.00	24.60	17.50	17.50	18.55	20.75	20.75	22.10
Floor	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Reserve fund (% of the initial receivables)									
Initial	1.50	1.50	2.00	1.50	1.50	1.50	1.50	1.50	1.50
Target	1.50	1.50	2.00	1.50	1.50	1.50	1.50	1.50	1.50
Floor	1.50	1.50	2.00	1.50	1.50	1.50	1.50	1.50	1.50
Total initial hard credit enhancement (% of the initial receivables)									
Class A	55.00	58.75	60.15	60.75	60.75	59.45	61.25	61.25	61.20
Class B	45.50	48.05	49.80	50.25	50.25	49.85	51.25	51.75	51.80
Class C	30.50	32.35	34.80	35.25	35.25	34.65	38.00	38.75	40.90
Class D	20.00	23.95	28.85	21.75	21.75	20.35	26.50	26.25	28.00
Class E	15.00	19.25	21.60	14.90	14.90	15.75	18.50	18.50	19.80
Excess spread per year (%) (estimated)(iii)	17.51	16.83	15.27	15.80	15.36	15.00	14.09	13.96	12.03

(i)Principal will be paid sequentially on the preliminary rated notes. (ii)The overcollateralization target is a percentage of the current receivables balance. (iii)The issuer decreased the per-year servicing fee to 3.50% from 4.00% with series 2017-1; however, for all 2017 series, we maintained a 4.05% assumption (inclusive of the 0.05% standby servicing fee). For the 2018 series forward, we used approximately 3.55% per year as a percentage of the initial collateral balance for servicing and standby servicing fees. For 2020-3 and prior deals, the excess spread shown relates to the coupons as priced; for 2021-1, the excess spread relates to the coupon guidance. DTAOT--DT Auto Owner Trust. N/A--Not applicable.

Rationale

The preliminary ratings assigned to DT Auto Owner Trust 2021-1's (DTAOT 2021-1) asset-backed notes series 2021-1 reflect our view of:

- The availability of approximately 62.8%, 58.4%, 49.3%, 42.7%, and 39.7% credit support for the class A, B, C, D, and E notes, respectively, based on stressed break-even cash flow scenarios (including excess spread). These credit support levels provide approximately 1.92x, 1.75x, 1.44x, 1.27x, and 1.17x coverage of our expected net loss range of 31.50%-32.50% for the class A, B, C, D, and E notes, respectively. Credit enhancement also covers cumulative gross losses of approximately 89.7%, 83.4%, 70.4%, 60.9%, and 56.8% respectively, assuming a 30% recovery rate (see the Cash Flow Modeling Assumptions And Results section below for more information).
- The timely interest and principal payments by the legal final maturity dates 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 (1.30x our expected loss level), all else being equal, our ratings will be within the credit stability limits specified by section A.4 of the Appendix contained in S&P Global Rating Definitions (see "S&P Global Ratings Definitions" published Jan. 5, 2021).
- The collateral characteristics of the subprime pool being securitized, including a high percentage (approximately 77%) of obligors with higher payment frequencies (more than once a month), which we expect will result in a somewhat faster paydown on the pool.
- The transaction's sequential-pay structure, which builds credit enhancement (on a percentage-of-receivables basis) as the pool amortizes.

S&P Global Ratings believes there remains a high degree of uncertainty about the evolution of the coronavirus pandemic. While the early approval of a number of vaccines is a positive development, countries' approval of vaccines is merely the first step toward a return to social and economic normality; equally critical is the widespread availability of effective immunization, which could come by mid-2021. We use this assumption in assessing the economic and credit implications associated with the pandemic (see our research at www.spglobal.com/ratings). As the situation evolves, we will update our assumptions and estimates accordingly.

Key Ratings Considerations

We considered the following transaction strengths:

- The company has more than 26 years of history originating, underwriting, and servicing subprime auto loans and a more than 20-year history of securitizing subprime auto loans.
- Beginning in 2018, DriveTime Automotive Group Inc. (DriveTime) entered into the nonprime space, with a focus on selling new or less-aged cars with lower mileage to obligors with higher income and FICO scores. This is part of a forward-flow financing arrangement and a broader strategy, which we believe will diversify the company's financing and liquidity options. The company indicated there is a specific origination target under the forward-flow arrangement that will not be exceeded. Because of the credit profile of its nonprime originations, there is no impact on the quality of the originated loans being sold into the DT Auto Owner Trust (DTAOT) securitizations.

- The company successfully weathered the financial crisis, partly because of the majority shareholder providing $135 million in capital (subordinated and junior secured notes), as well as through funding diversification, which included private unrated securitizations.
- The issuer has indicated that it has renegotiated various warehouse facilities, with an aggregate commitment amount of approximately $1.025 billion and staggered termination dates in 2021 and 2022.
- The company's operating strategy of a "buy here, pay centrally" concept, which we believe protects investors in the event of a servicer transition or the company's bankruptcy.
- DriveTime is on its ninth-generation credit scorecard. We believe the company's continual emphasis on refining its scorecards contributed to the lower peak cumulative net losses (CNLs) in the 2007-2009 recession (30.9% CNL on series 2007-A) versus the 2001 recession (35.1% CNL on series 2000-C). Additionally, the recently paid-off 2013, 2014, 2015, and 2016 series had CNLs in the 26.3%-30.0% range.
- The credit tightening actions that the company has taken since December 2016, including those across the B, C, and D credit tiers, focused on portfolio quality.
- Wells Fargo Bank N.A. is the standby servicer and custodian of the contract files.

We also considered the following weaknesses and mitigating factors:

- The company operates in the deep subprime market, lending to consumers with an average FICO score of approximately 539, and approximately 13%-20% of obligors have no FICO score. Nonetheless, the company has substantial experience in this market segment, in our view.
- The underwriting and collection practices of subprime auto issuers, including DriveTime, are under increasing regulatory scrutiny. In November 2014, DriveTime settled an $8 million civil cash penalty with the Consumer Finance Protection Bureau and implemented specified servicing changes (see "Presale: DT Auto Owner Trust 2017-1" published Feb. 3, 2017). In 2016, DriveTime received a Civil Investigative Demand from the Federal Trade Commission (FTC) requesting information related to the use of GPS devices and a request for additional information in 2017. Also in 2016, the company received a civil subpoena from the U.S. Department of Justice (DOJ) under The Financial Institution Reform, Recovery, and Enforcement Act of 1989 requesting information on the underwriting and securitization of subprime auto loans. The company fully responded to both inquiries and has received no further communication from either the FTC or DOJ.
- There are no performance triggers for DriveTime's outstanding ABS transactions. However, we believe that the collateral can withstand approximately 89.7% in cumulative gross losses before the class A notes incur a loss, given the high level of credit enhancement.

Changes From The Series 2020-3 Transaction

Structural and credit enhancement changes include that:

- Subordination for all classes increased to 40.00%, 30.50%, 15.50%, and 5.00% from 39.50%, 28.80%, 13.10%, and 4.70%, respectively.
- Initial overcollateralization decreased to 13.50% from 17.75%, growing to a target of 18.60%, down from 23.00%. The overcollateralization floor remains at 3.25%.
- Initial hard credit enhancement (including subordination, overcollateralization, and the reserve

account) for classes A, B, C, D, and E decreased to 55.00%, 45.50%, 30.50%, 20.00%, and 15.00% from 58.75%, 48.05%, 32.35%, 23.95%, and 19.25%, respectively.

Collateral composition changes include that:

- The percentage of loans in the originator's top three credit grades (A+, A, and B), in aggregate, increased to 80.60% from 78.36%.
- The percentage of biweekly payment customers increased to 70.45% from 69.86%, while the percentage of semi-monthly payment customers increased to 6.05% from 5.94%.
- The percentage of loans with original terms of 61-66 months decreased to 9.91% from 12.38%, while those with original terms of 67-72 months increased to 80.98% from 79.83%. Overall, however, the percentage of greater-than-60-month term loans decreased to 90.89% from 92.21%.
- The percentage of the pool with no FICO score increased to 13.94% from 11.87% for the previous series.
- The percentage of the pool that is current increased to 87.33% from 86.46%.
- None of the loans are currently in extension, but the percentage of the pool that has received an extension prior to March 1, 2020, for any reason increased to 1.36% from 0.82%. For the 2020-2 deal, approximately 0.98% of the statistical pool had received a non-COVID-19-related extension prior to March 1, 2020.
- The top five states account for approximately 52% of the pool versus 55% on the last deal.

Given our forward-looking view of the economy, and particularly the impact from COVID-19, we expect unemployment levels to increase, which, based on the historical correlation between credit performance and unemployment, will likely result in increased losses. Within that context, however, our view is that the series 2021-1 pool characteristics are comparable to, if not somewhat better than, those of series 2020-3. In addition, the company's securitizations are currently performing within our expectations. As a result, our expected CNL for series 2021-1 is at 31.50%-32.50%, down from series 2020-3's 32.75%-33.75% (see "Georgia Gains Give Biden A Legislative Leg Up; The Pandemic And Economy Are First Priorities" published Jan. 7, 2021, "Global Economic Outlook: Limping Into A Brighter 2021" published Dec. 3, 2020, and "The Potential Effects Of COVID-19 On U.S. Auto Loan ABS" published March 26, 2020).

Additionally, we estimate that the funded reserve amount, at 1.50% of the initial pool balance, without reference to excess spread, could cover approximately three to four months of servicing fees and note interest.

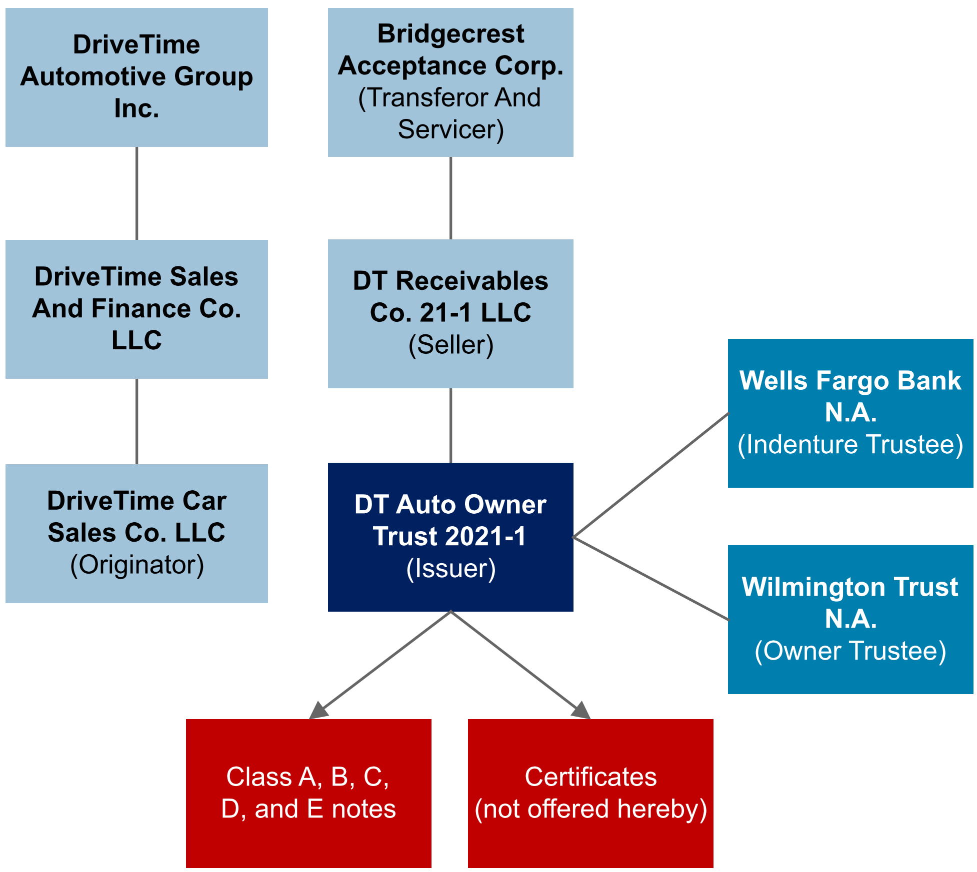
Transaction And Legal Overview

DTAOT 2021-1 is DriveTime Car Sales Co. LLC's (DTCS) 33rd non-bond-insured securitization that S&P Global Ratings has rated since 2010. Additionally, DriveTime issued 36 bond-insured ABS from 1996 to 2006, all of which were rated by S&P Global Ratings.

DriveTime directly owns DriveTime Sales and Finance Co. LLC (DTSFC), which directly owns DTCS, the originator of the receivables. This entity sells the vehicles to obligors in the pool, and Bridgecrest Acceptance Corp. (BAC, formerly known as DT Acceptance Corp.), the transferor of the receivables and DriveTime's sister company, finances substantially all of the vehicles that the originator sells. BAC purchases the receivables that DTCS originates and is the lienholder for the financed vehicles in the pool. DT Receivables Co. 21-1 LLC, the seller, is a limited-purpose wholly owned subsidiary of the transferor. It is organized under Delaware law to acquire the auto loans from the transferor and transfer them to DTAOT 2021-1, the issuer (see chart 1).

Chart 1

Transaction Diagram



BAC will be the servicer of the auto loans and responsible for servicing and administering collections on, and otherwise enforcing, the auto loans. BAC is the parent company of Bridgecrest Credit Co. LLC, the servicer of series prior to 2018, and the servicing guarantor of all current series.

The transaction is structured as a true sale of the receivables from BAC to DT Receivables Co. 21-1 LLC, which will transfer the receivables to the issuer--a newly formed special-purpose Delaware statutory trust. The issuer will pledge its interest in the receivables and its security interests in the vehicles to the indenture trustee for the noteholders' benefit.

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

To meet credit risk requirements under Regulation RR of the Exchange Act, the transferor, in its capacity as sponsor, intends to retain an economic interest in the credit risk of the auto loans of at least 5.0%, either directly or through its majority-owned affiliates. This is expected to be achieved through an eligible horizontal residual interest under Regulation RR, and the transferor will establish the reserve account so that it qualifies as an eligible horizontal cash reserve account under Regulation RR.

Transaction Structure

The series 2021-1 transaction will employ a sequential principal payment structure among the class A, B, C, D, and E notes. The sequential-pay mechanism builds credit enhancement, on a percentage basis, for the preliminary rated notes as the pool amortizes.

The transaction's structure incorporates a 1.50% nondeclining reserve account and a 13.50% initial overcollateralization amount that will build to a target of 18.60% of the current pool balance before it begins to amortize to its floor of 3.25% of the initial pool balance. We expect the pool to generate excess spread of approximately 17.51% per year (using a 3.55% estimate per year for servicing and standby servicing fees).

Payment Structure

Payment distributions

The class A, B, C, D, and E note issuance amounts will total $346.0 million, and the notes will pay fixed interest rates. Interest and principal are scheduled to be paid to the preliminary rated notes on the 15th day of each month or the next business day, beginning Feb. 16, 2021. On each payment date, before an acceleration of the notes, 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, expenses, and interest shortfalls and pay parity principal and principal due on the notes' final maturity date.

Table 1

Payment Waterfall

Priority	Payment
1	To the indenture and owner trustees, any accrued and unpaid fees, expenses, and indemnities due to each entity (to the extent the servicer has not previously paid them), provided that those fees and expenses do not exceed $125,000 in aggregate in any calendar year to the indenture trustee and $10,000 in aggregate in any calendar year to the owner trustee.
2	To the standby servicer, the standby servicer fee and any applicable accrued and unpaid fees, expenses, and indemnities due to the standby servicer, provided that the aggregate amount plus any amounts already paid in item 1 do not exceed $125,000 in aggregate in any calendar year. To the successor servicer, when applicable and if not paid by the predecessor servicer, reasonable transition expenses (capped at $200,000) incurred by the standby servicer in becoming the successor servicer.
3	To the servicer, the monthly servicing fee (3.50% per year), any supplemental servicing fees for the related calendar month, and any liquidation reimbursements.
4	To the class A noteholders, the class A note interest distributable amount on the distribution date, together with any class A note interest carryover shortfall on the distribution date.
5	Principal to the extent necessary to reduce the class A note balance to the pool balance.
6	The remaining principal balance of the class A notes on their final scheduled distribution date.

Table 1

Payment Waterfall (cont.)

Priority	Payment
7	To the class B noteholders, an amount equal to the class B note interest distributable amount on the distribution date and the class B note interest carryover shortfall on the distribution date.
8	Principal to the extent necessary, after giving effect to any payments made under items 5 and 6 above, to reduce the combined class A and B note balances to the pool balance.
9	The remaining principal balance of the class B notes on their final scheduled distribution date.
10	To the class C noteholders, an amount equal to the class C note interest distributable amount on the distribution date and the class C note interest carryover shortfall on the distribution date.
11	Principal to the extent necessary, after giving effect to any payments made under items 5, 6, 8, and 9 above, to reduce the combined class A, B, and C note balances to the pool balance.
12	The remaining principal balance of the class C notes on their final scheduled distribution date.
13	To the class D noteholders, an amount equal to the class D note interest distributable amount on the distribution date and the class D note interest carryover shortfall on the distribution date.
14	Principal to the extent necessary, after giving effect to any payments made under items 5, 6, 8, 9, 11, and 12 above, to reduce the combined class A, B, C, and D note balances to the pool balance.
15	The remaining principal balance of the class D notes on their final scheduled distribution date.
16	To the class E noteholders, an amount equal to the class E note interest distributable amount on the distribution date and the class E note interest carryover shortfall on the distribution date.
17	Principal to the extent necessary, after giving effect to any payments made under items 5, 6, 8, 9, 11, 12, 14, and 15 above, to reduce the combined class A, B, C, D, and E note balances to the pool balance.
18	The remaining principal balance of the class E notes on their final scheduled distribution date.
19	The principal distributable amount on the distribution date (to build overcollateralization to its target level).
20	To the reserve account, an amount equal to the excess of the specified reserve account amount over the amount then on deposit in the reserve account.
21	To the indenture and owner trustees and any successor servicer, any fees and expenses and indemnities then due and payable to each party that exceed the cap or annual limitation specified in items 1 or 2 above.
22	All remaining amounts, pro rata, to the RR certificateholders and the non-RR certificateholders, according to their percentage interest.

On each payment date, principal distributions will be made in the following priority:

- To the class A notes until they are paid in full;
- Then to the class B notes until they are paid in full;
- Then to the class C notes until they are paid in full;
- Then to the class D notes until they are paid in full;
- Then to the class E notes until they are paid in full.

The above payment priorities can change if certain events of default occur and continue, including:

- A failure to pay interest on the senior-most class;
- A failure to pay principal at final maturity;
- The issuer's involuntary and voluntary bankruptcy; and
- A material breach of a covenant, agreement, representation, or warranty.

If the event of default is related solely to a breach of a covenant, agreement, representation, or warranty, distributions will be made from the available funds according to the priority shown in table 1, except that the principal distributable amount will include all available funds until all the notes are paid in full and there will be no limitation of fees, expenses, and indemnities in items 1 and 2.

For any other events of default, distributions will be made from available funds according to the payment priority outlined in table 2.

Table 2

Payment Waterfall

Priority	Payment
1	To the indenture trustee, the owner trustee, the standby trustee, the servicer, and any successor servicer, any amount due to each entity, disregarding any caps or annual limitations.
2	To the class A noteholders, the class A note interest distributable amount on the distribution date, together with any class A note interest carryover shortfall on the distribution date.
3	Principal to the extent necessary to reduce the class A note balance to zero.
4	To the class B noteholders, an amount equal to the class B note interest distributable amount on the distribution date and the class B note interest carryover shortfall on the distribution date.
5	Principal to the extent necessary to reduce the class B note balance to zero.
6	To the class C noteholders, an amount equal to the class C note interest distributable amount on the distribution date and the class C note interest carryover shortfall on the distribution date.
7	Principal to the extent necessary to reduce the class C note balance to zero.
8	To the class D noteholders, an amount equal to the class D note interest distributable amount on the distribution date and the class D note interest carryover shortfall on the distribution date.
9	Principal to the extent necessary to reduce the class D note balance to zero.
10	To the class E noteholders, an amount equal to the class E note interest distributable amount on the distribution date and the class E note interest carryover shortfall on the distribution date.
11	Principal to the extent necessary to reduce the class E note balance to zero.
12	All remaining amounts to the certificate holders.

Surveillance Performance

We currently maintain ratings on 14 outstanding auto loan transactions backed by DriveTime-originated loans issued between 2016 and 2020 (see table 3).

Chart 2a

Securitization Cumulative Net Losses From 2012--Paid-Off Series

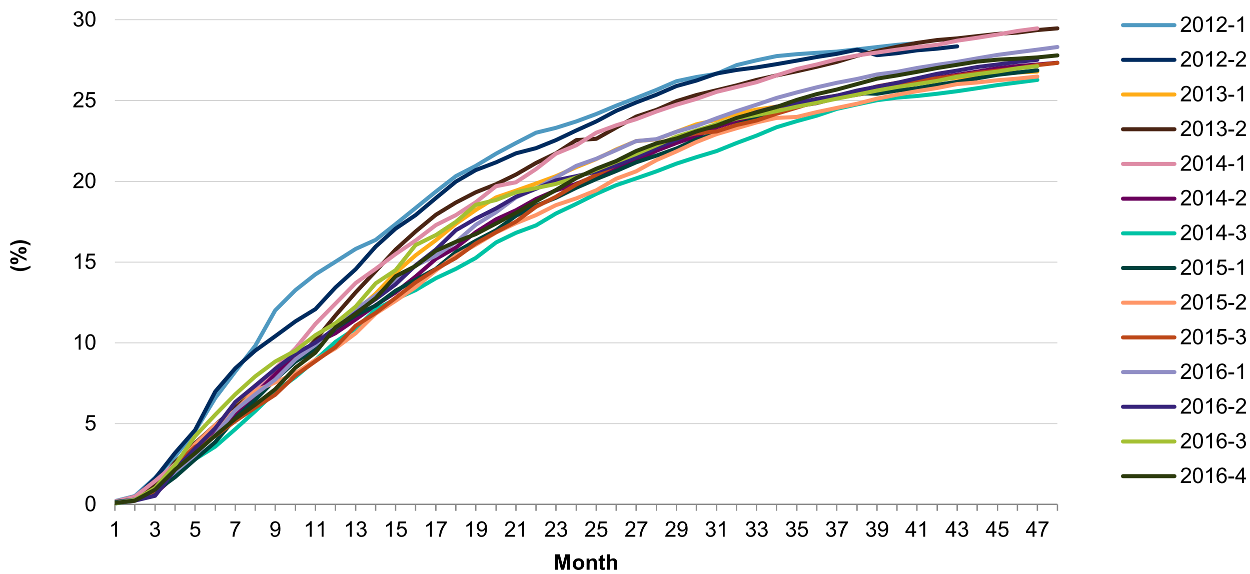


Chart 2b

Securitization Cumulative Net Losses Outstanding Series

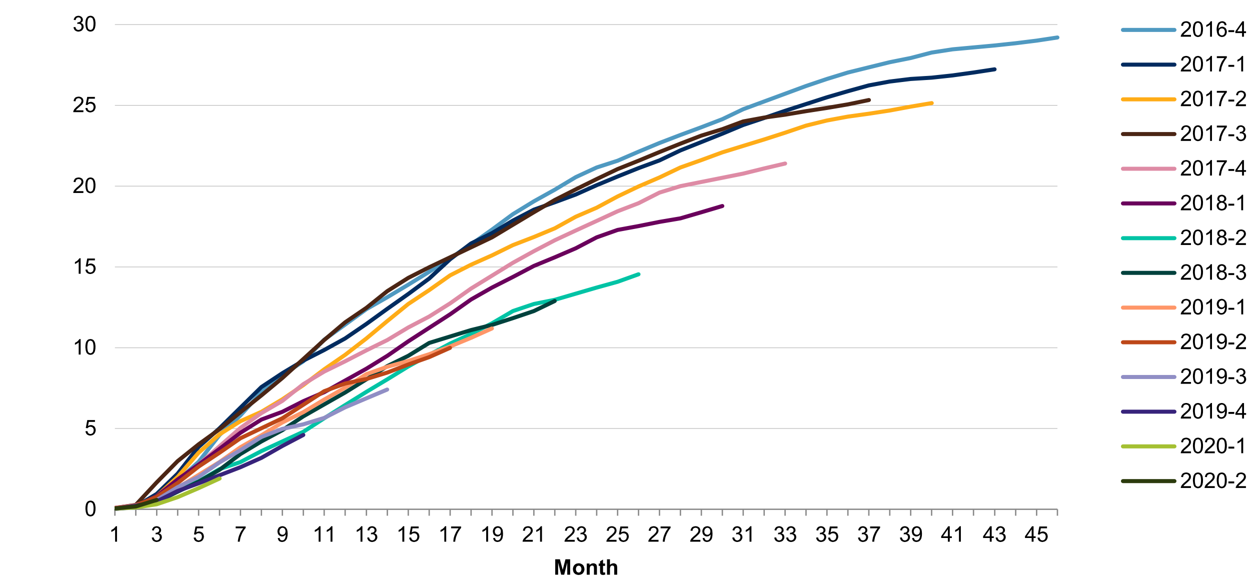


Chart 3

Cumulative Recovery Rates

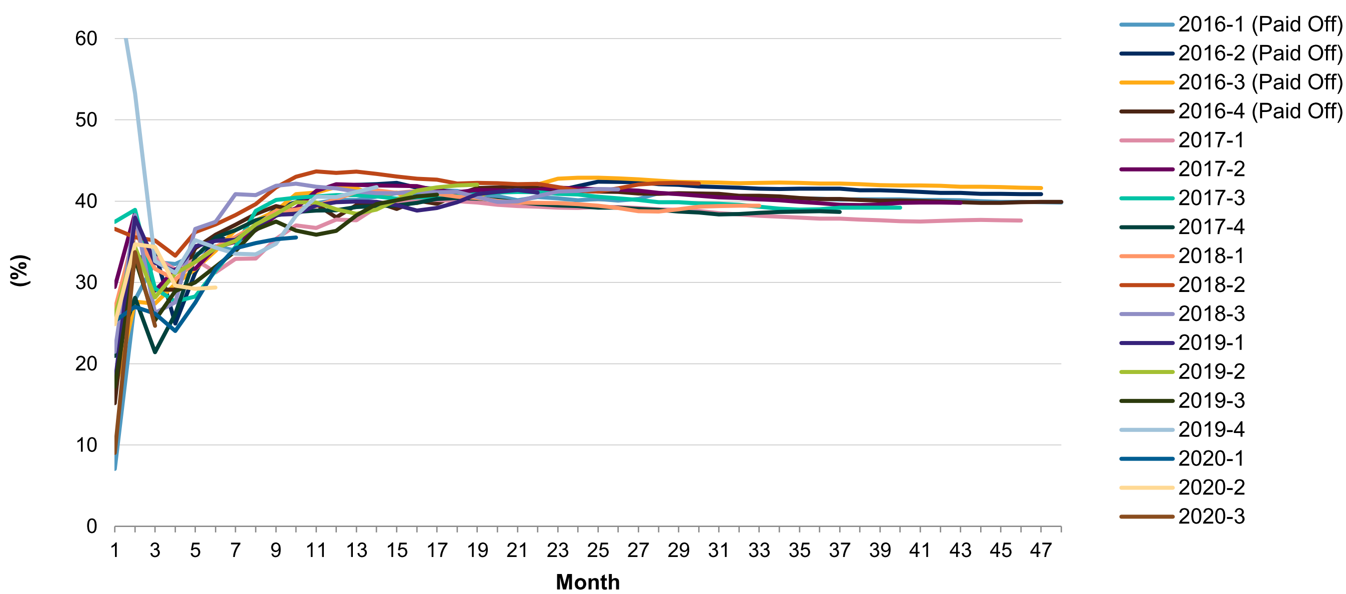


Table 3

Distribution As Of December 2020

Series	Month	Pool factor (%)	Current CNL (%)	Current CRR (%)	60-plus-day delinq. (%)	Initial lifetime CNL exp. (%)	Revised lifetime CNL expected (%)
2017-1	46	11.92	29.20	37.62	14.22	29.50-30.50	29.75-30-25(i)
2017-2	43	14.89	27.23	39.78	14.25	29.50-30.50	29.00-29.50(ii)
2017-3	40	17.57	25.14	39.19	13.69	29.50-30.50	28.25-28.75(ii)
2017-4	37	18.62	25.33	38.70	13.84	29.50-30.50	28.75-29.25(i)
2018-1	33	26.31	21.40	39.43	13.22	29.00-30.00	27.25-27.75(i)
2018-2	30	31.80	18.77	42.15	13.52	29.00-30.00	27.00-28.00(ii)
2018-3	26	42.27	14.54	41.45	11.92	28.50-29.50	27.50-28.50(ii)
2019-1	22	48.42	12.89	41.06	10.62	28.50-29.50	27.75-28.75(i)
2019-2	19	56.19	11.19	42.02	11.02	28.50-29.50	28.25-29.25(i)
2019-3	17	58.34	9.99	40.79	10.06	27.00-28.00	28.25-29.25(ii)
2019-4	14	68.95	7.41	41.74	8.72	28.50-29.50	31.00-32.00(iii)
2020-1	10	78.91	4.60	35.53	6.30	28.50-29.50	31.00-32.00(iii)
2020-2	6	87.52	1.91	29.38	3.62	32.75-33.75	N/A
2020-3	3	94.68	0.58	24.65	1.50	32.75-33.75	N/A

(i)As of September 2020. (ii)As of December 2020. (iii)As of October 2020. CNL--Cumulative net loss. CRR--Cumulative recovery rate. Delinq.--Delinquency. N/A--Not applicable.

Twelve of the 14 transactions had their lifetime loss expectations revised between September and December 2020. We will continue to monitor the performance of the outstanding transactions, especially in light of the current recessionary environment resulting from the COVID-19 pandemic, to ensure that the credit enhancement remains sufficient, in our view, to cover our revised cumulative net loss expectations under our stress scenarios for each of the rated classes.

On May 12, 2020, we placed our ratings on the class E notes from series 2019-4 and 2020-1 on CreditWatch with negative implications. This rating action followed our review of all ABS transactions backed by subprime auto loan receivables against the background of the evolving economic downturn, which is expected to affect the performance of all auto loan originators (see "Thirty-Three U.S. Subprime Auto ABS Ratings From 26 Transactions Placed On CreditWatch Negative").

On Aug. 10, 2020, we confirmed that the class E notes from series 2019-4 and 2020-1 will remain on CreditWatch as we continue to assess the impact of the COVID-19 pandemic on collateral performance, including the impact of extension rates, delinquencies, recovery rates, and net losses, on these transactions (see "Twenty-Seven Ratings From 20 U.S. Subprime Auto ABS Transactions Remain On CreditWatch Negative"). On Oct. 8, 2020, we affirmed the ratings on those two classes and removed them from CreditWatch, while also affirming the remaining classes of those two deals (see "Ten Ratings Affirmed On Two DT Auto Owner Trust Transactions; Two Tranches Removed From CreditWatch Negative").

On Sept. 2, 2020, we raised our ratings on 15 classes and affirmed our ratings on four classes from six transactions, series 2016-4, 2017-1, 2017-4, 2018-1, 2019-1, and 2019-2 (see "Fifteen Ratings Raised, And Four Affirmed On Six DT Auto Owner Trust Transactions").

And on Dec. 1, 2020, we raised our ratings on 10 classes and affirmed our ratings on six classes from five transactions, series 2017-2, 2017-3, 2018-2, 2018-3, and 2019-3 (see "Ten Ratings Raised And Six Affirmed On Five DT Auto Owner Trust Transactions").

Managed Portfolio Performance

As of Sept. 30, 2020, DriveTime's serviced portfolio comprised contracts totaling approximately $4.62 billion--a year-over-year decrease of approximately 2% (see table 4). Total 31-plus-day delinquencies were 16.57% as of Sept. 30, 2020, compared with 18.77% for the similar period a year ago. This is perhaps to be expected in light of the increase in extensions and the temporary cessation of involuntary repossession efforts resulting from the country-wide lockdowns in the wake of the COVID-19 pandemic. The company's cash collections have remained strong, due in part at least to unemployment benefits and the government stimulus payments.

According to DriveTime's management, increased collection staffing and better aligned collector incentives allowed the company to improve the back-end save rates on the delinquent accounts. DriveTime also tightened underwriting in late 2016 and throughout 2017.

Table 4

Managed Portfolio

	As of Sept. 30		As of Dec. 31						
	2020	2019	2019	2018	2017	2016	2015	2014	2013
Principal outstanding at end of period (mil. $)	4,617.8	4,712.2	4,617.7	4,583.5	4,720.2	4,096.7	3,173.5	2,444.3	1,871.6
Average month-end principal amount (mil. $)	4,540.4	4,700.1	4,693.0	4.721.0	4.586.8	3,727.4	2,873,3	2,200.6	1,763.4

Table 4

Managed Portfolio (cont.)

	As of Sept. 30		As of Dec. 31						
	2020	2019	2019	2018	2017	2016	2015	2014	2013
Net charge-offs (mil. $)(i)	351.8	422.8	582.0	676.1	700.5	503.8	374.5	325.8	261.4
Net charge-offs as a % average month end principal(ii)	10.33	11.99	12.40	14.32	15.27	13.51	13.03	14.81	14.82
Delinquencies (%)									
31-60 days	8.15	10.09	10.23	10.30	9.66	10.76	9.57	8.86	8.98
61-90 days	5.35	5.87	5.91	5.50	5.41	5.76	4.86	4.83	4.88
91-plus days	3.06	2.81	3.33	2.20	1.80	1.41	2.10	1.48	2.41
Total delinquencies	16.57	18.77	19.47	18.00	16.88	17.93	16.53	15.17	16.27

(i)Does not include all repossession-related expenses. (ii)Annualized.

Delinquencies had increased significantly in 2012 compared with previous years and had since been over 15% at year-end from 2012 through 2019. We believe the increase is partly attributable to DriveTime's change in its charge-off policy in 2011. Before December 2011, DriveTime would charge off all auto loans that became 91 days past due at the end of the related month. In December 2011, the company began allowing loans to remain delinquent until 120 days past due before charge-off (which is consistent with many other subprime lenders) as long as the borrower made a qualifying minimum payment within the prior 30 days. In September 2013, it began allowing this qualifying minimum payment to be made within the prior two calendar months. DriveTime, like many of its peers, is giving its borrowers more time to make payments before repossession, as long as they have shown a willingness and ability to make a recent payment. It has also been using short extension periods for certain customers in lieu of bringing the account current. Absent COVID-19, therefore, accounts were staying in delinquency status longer than they did in 2011.

Net charge-offs as a percentage of the average principal (annualized) as of Sept. 30, 2020, were 10.33%, noticeably lower than the 11.99% in the corresponding period in 2019.

Pool Analysis

As of the Dec. 31, 2020, cut-off date, the series 2021-1 pool comprised approximately $400 million in auto loans directly originated by DriveTime in its company-owned dealerships (see table 5). In our view, overall, the series 2021-1 pool characteristics exhibit a comparable or better credit matrix than that of the prior series.

Table 5

DTAOT Collateral Comparison(i)

	Series								
	2021-1	2020-3	2020-2	2020-1	2019-4	2019-3	2019-2	2019-1	2018-3
Collateral cutoff date	Dec. 31, 2020	Aug. 31, 2020	May 31, 2020	Jan. 31, 2020	Sept. 30, 2019	June 30, 2019	March 31, 2019	Jan. 31, 2019	Sept. 30, 2018
Pool size (mil. $)	400.00	450.01	450.00	500.00	519.65	511.35	450.01	450.00	700.02

Table 5

DTAOT Collateral Comparison(i) (cont.)

No. of loans	23,630	26,203	28,412	29,371	30,345	32,194	26,917	27,732	40,746
Avg. principal balance ($)	16,928	17,174	15,838	17,024	17,125	15,883	16,718	16,227	17,180
Weighted avg. APR (%)	22.65	21.90	22.43	21.83	21.73	21.44	20.95	21.32	19.77
Weighted avg. original term (mos.)	67	67	66	67	67	67	65	65	65
Weighted avg. remaining term (mos.)	64	64	61	65	65	61	63	61	63
Seasoning (mos.)	3	3	5	3	2	6	2	4	3
Original terms of 61-72 months (%)	90.89	92.21	88.91	91.77	89.00	89.55	85.52	84.29	84.5
Original terms of 61-66 months (%)	9.91	12.38	11.99	9.79	11.85	16.32	19.48	20.49	22.88
Original terms of 67-72 months (%)	80.98	79.83	76.92	81.98	77.15	73.23	66.03	63.80	61.62
Weighted avg. original FICO score	536	542	535	538	540	543	541	543	542
Below or equal to a 550 FICO score (excluding the no FICO score component) (%)	53.73	51.23	55.06	52.80	51.74	49.71	52.27	50.30	45.55
No FICO score (%)	13.94	11.87	13.30	12.40	12.30	13.64	11.50	12.73	22.94
Paying biweekly or semimonthly (%)	76.51	75.80	78.52	78.88	77.42	80.04	74.92	77.62	74.78
Top five state concentrations (%)									
	FL=15.18	TX=16.26	FL=14.52	FL=15.44	TX=14.98	FL=14.45	TX=15.95	TX=15.34	TX=14.84
	TX=12.92	FL=14.08	TX=12.42	TX=14.79	FL=14.83	TX=13.61	FL=14.97	FL=14.13	FL=13.89
	GA=11.49	GA=12.33	GA=11.70	GA=9.21	GA=9.33	GA=10.60	GA=9.56	GA=9.63	GA=10.81
	CA=6.62	CA=6.65	CA=6.00	NC=6.10	CA=6.32	CA=6.15	NC=6.14	CA=6.08	CA=5.64
	NC=6.17	AZ=5.56	NC=5.54	CA=6.08	NC=6.01	NC=6.11	CA=5.89	NC=5.90	NC=5.35
Originator's credit grades									

Table 5

DTAOT Collateral Comparison(i) (cont.)

Top three grades (%)(ii)	80.60	78.36	78.72	82.72	84.69	80.82	79.67	80.47	82.92
Bottom five grades (%)(iii)	19.40	21.64	21.28	17.28	15.31	19.17	20.33	19.53	17.09
S&P Global Ratings' expected CNL (%)	31.50-32.50	32.75-33.75	32.75-33.75	28.50-29.50	28.50-29.50	27.00-28.00	28.50-29.50	28.50-29.50	28.50-29.50

(i)All percentages are of the initial gross receivables balance. (ii)Includes credit grades 'A+', 'A', and 'B'. (iii)Includes credit grades 'C', 'C-', 'D+', 'D', and 'D-'. DTAOT--DT Auto Owner Trust. APR--Annual percentage rate. CNL--Cumulative net loss.

S&P Global Ratings' Expected Loss: 31.50%-32.50%

To derive the expected losses for the series 2021-1 pool, we considered the securitization data from 50 transactions we have rated since 2000, with greater emphasis on recent transactions, as well as origination static pool data that DriveTime provided. In addition, we compared the series 2021-1 pool's characteristics with those of previous pools to determine its relative strengths and weaknesses. In addition, the backdrop of the economic shutdown in the face of the COVID-19 pandemic and the expectation of weaker performance in its wake caused us to revise our base-case loss estimate higher.

We analyzed origination static pool data broken out by credit grade and original term (less than or equal to 60 months, 61-66 months, and 67-72 months) to factor in the impact of long-term contracts. Based on our analysis of the securitization performance, static pool data, collateral comparisons, and our forward-looking view of the economy and measures taken to contain and ease the financial dislocation of COVID-19 pandemic, we expect DTAOT 2021-1 to experience CNLs of 31.50%-32.50%.

Cash Flow Modeling Assumptions And Results

We modeled the series 2021-1 transaction to simulate stress scenarios that we believe are appropriate for the assigned preliminary ratings (see table 6). The break-even results show that each class is enhanced to the degree necessary to withstand a stressed net loss level that is consistent with our assigned preliminary ratings.

Table 6

Cash Flow Assumptions/Results

	Class				
	A	B	C	D	E
Preliminary rating	AAA (sf)	AA (sf)	A (sf)	BBB- (sf)	BB- (sf)
ABS voluntary prepayments (%)	0.60	0.60	0.60	0.60	0.60
Recoveries (%)	30	30	30	30	30
Recovery lag (mos.)	3	3	3	3	3
Servicing fee (%)(i)	3.55	3.55	3.55	3.55	3.55

Table 6

Cash Flow Assumptions/Results (cont.)

CNL timing (mos.)	12/24/36/48	12/24/36/48	12/24/36/48	12/24/36/48	12/24/36/48
Front-loaded loss curve					
CNL timing input (%)	45/85/100	45/85/100	45/85/100	45/85/100	45/85/100
CNL timing actual (%)	69/100	49/93/100	46/85/100	45/85/100	45/85/100
Collateral defaulted (%)	89.74	83.44	70.38	60.95	56.85
Approximate CNL break-even level (%)(ii)	62.82	58.41	49.26	42.66	39.79
Back-loaded loss curve					
CNL timing input (%)	35/65/85/100	35/65/85/100	35/65/85/100	35/65/85/100	35/65/85/100
CNL timing actual (%)	69/100	50/91/100	37/68/92/100	36/66/91/100	36/66/91/100
Collateral defaulted (%)	89.79	83.54	72.70	62.80	56.72
Approximate CNL break-even level (%)(ii)	62.85	58.48	50.89	43.96	39.70

(i)Assumes a 3.55% rate for base servicing fee and the backup servicing fee. (ii)The maximum CNLs on the pool that the transaction can withstand without a payment default on the relevant classes of notes. ABS--Absolute prepayment speed. CNL--Cumulative net loss.

Because recent pools have contained a significant concentration of longer-term contracts and have relatively little seasoning, we placed greater emphasis on the stressed cash flows with the back-loaded loss curve to stress the transaction's later stages. Results for both loss curve scenarios are consistent with the preliminary ratings assigned.

Scenario Analysis

In addition to running break-even cash flows, we conducted a sensitivity analysis to see what impact it would have on our ratings under a moderate ('BBB') stress scenario, all else being equal (see table 7). The multiple coverage levels reflect the transaction's remaining credit support, including excess spread, over the remaining losses.

Table 7

Scenario Analysis Summary--Moderate Loss Scenario

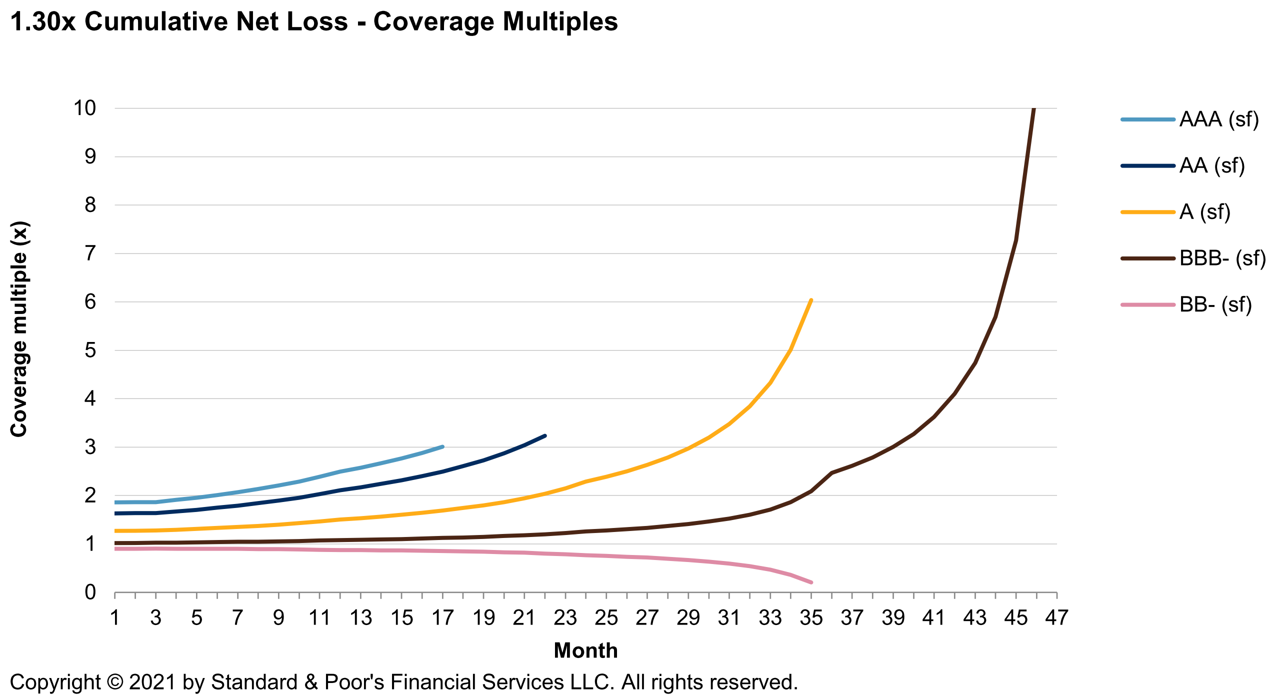
Loss level (multiple)	1.30x base case
CNL (%)	41.60
CNL timing (12/24/36/48) (%)	40/75/95/100
ABS voluntary prepayments (%)	0.60
Recoveries (%)	30
Recovery lag (mos.)	3
Servicing and other fees (%)	3.55 assumed

CNL--Cumulative net loss. ABS--Absolute prepayment speed.

Our expectation is that under a moderate ('BBB') stress scenario, all else being equal, our ratings will be within the credit stability limits specified by section A.4 of the Appendix contained in S&P

Global Ratings Definitions (see "S&P Global Ratings Definitions" published Jan. 5, 2021).

Chart 4



Legal Final Maturities

To test the legal final maturity dates, we determined the date when the respective notes would be fully amortized in a zero-loss, zero-prepayment scenario and then added three months to the result. To accommodate for extensions on the receivables, we verified that the legal final maturity date of the longest-dated security (class E) equaled, at minimum, the tenor of the longest receivable in the pool plus eight months. 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 the respective legal final maturity dates.

DriveTime

DriveTime was incorporated by Ernest C. Garcia II in Phoenix in 1992. Through DTSFC, its integrated used car sales and finance company, DriveTime operates one of the largest chains of used car dealerships in the U.S., with a primary focus on the sale of used vehicles and related products to the subprime market. As of Sept. 30, 2020, DriveTime operated 129 branded dealerships and 15 reconditioning facilities in 63 geographical areas across 26 states and had two major collection centers (Dallas and Mesa, Ariz.).

DriveTime has a centralized collection operation, and customers can submit payments by mail and phone, online, and at multiple locations, such as Walmart and Western Union, which facilitate cash and electronic debit payments. In addition, customers may set up one-time and recurring Automated Clearing House payments.

DriveTime sources its inventory by buying used vehicles, primarily at auctions, that it believes are affordable and reliable transportation for its clientele. The vehicles are typically six years old, with approximately 65,000-75,000 miles. DriveTime then sends these vehicles to one of the reconditioning centers, where they undergo a safety and mechanical inspection and are reconditioned for subsequent sale. The reconditioning often includes new belts, tires, spark plugs, vacuuming, and general cleaning. DriveTime spends approximately $1,200 to recondition each vehicle. Once it reconditions the vehicles and they pass a final quality control check, the company distributes them to its retail stores.

DriveTime's retail strategy relies heavily on its targeted TV, radio, and online advertising to promote its brand. Through advertising, potential customers are directed to the company's website to complete a loan application before visiting one of its dealerships. Besides providing vehicles and financing for these vehicles, DriveTime offers a 36-month/36,000-mile or a five-year/50,000-mile vehicle service contract for its vehicles for major repairs.

On the finance side of its business, DriveTime uses a centralized proprietary credit scoring model to make automated credit decisions. Once a consumer's loan application is put into the system, in-store or online, the system scores the applicant based on traditional credit bureau data and alternate data sources, such as checking and debit account history. The overall score, together with down payments and the vehicle, determine the loan's interest rate and term.

Per DriveTime's management, store personnel must verify the information on the application before approving the loan, including proof of insurance, identity, and, for customers with lower credit scores, employment and residence.

DriveTime employs behavioral scoring models to rank the risk of its delinquent accounts and to establish daily call queues based on these scores. Accounts in early delinquencies are managed primarily through an automated dialer and messaging system out of the Dallas or Mesa collection facilities. Mid-stage delinquencies are handled manually out of the Dallas collection facility. All late-stage collections, repossessions, and recoveries are handled in Mesa, where the collectors work the accounts from the time they receive them until resolution.

Repossessions generally commence after 91 days of delinquency at the end of the month. Accounts are charged off at 91 days delinquent unless an obligor has made a qualifying cash payment in the 60 days preceding month-end; in that case, these accounts may be 120 days or more past due at the end of a month. As a result, many charge-offs are full-balance charge-offs, with the recovery proceeds following one or two months later. Since January 2012, vehicles have been equipped with anti-theft/GPS devices, which have aided the repossession process in addition to locating stolen vehicles. Management has stated that these devices do not include the starter-interrupt functionality.

DriveTime uses extensions as a loss-mitigation tool. According to the transaction documents, the company currently limits extensions to 6.00% per month on a rolling 12-month basis. Its extension policy provides that:

- Extensions may not be granted for more than four months within any consecutive 12 months or may not extend any receivable's final payment date more than eight months beyond the original final payment date; and
- Proof of income is required in all cases.

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