Crédito Real USA Auto Receivables Trust 2021-1

TRANSACTION	
Issuer	Crédito Real USA Auto Receivables Trust 2021-1
Securitization Date	4/29/2021
Months Seasoned	12

TRANSACTION PARTIES			
Depositor	Crédito Real USA Receivables, LLC	**Indenture Trustee**	Citibank, N.A.
Sponsor, Servicer, Custodian & Seller	Crédito Real USA Finance, LLC	**Owner Trustee**	Wilmington Trust, National Association
		Backup Servicer	Vervent Inc.

Rating Action Summary

Kroll Bond Rating Agency (KBRA) has upgraded its ratings on two classes of notes and affirmed its rating on one class of notes from Crédito Real USA Auto Receivables Trust 2021-1 ("CRUSA 2021-1"), an auto loan ABS transaction. KBRA's analysis indicated that the existing credit enhancement for the notes is sufficient to support the rating actions. The data used for this review is as of the April 2022 distribution date (March 2022 collection period). To date, the securities have received timely interest payments.

The table below displays the current capital structure and rating actions undertaken in this review.

	Balance ('000s)				Credit Enhancement		KBRA Ratings		
Class	**At Closing**	**Current**	**Note Factor**	**Coupon**	**At Closing**	**Current**	**At Closing**	**To**	**Action**
A	$107,260	$53,065	49.47%	1.35%	30.75%	44.26%	A (sf)	A+ (sf)	Upgrade
B	$11,370	$11,370	100.00%	2.87%	23.25%	32.32%	BBB (sf)	BBB+ (sf)	Upgrade
C	$11,750	$11,750	100.00%	4.37%	15.50%	22.37%	BB (sf)	BB (sf)	Affirm
	$130,380	$76,185	58.43%						

Company Overview

Crédito Real USA Finance ("Crédito Real USA" or the "Company") was incorporated in 2007 under the name AFS Acceptance and was acquired in 2015 by its current parent, Crédito Real, S.A.B., de CV, SOFOM, ("Crédito Real SAB") a Mexico-based consumer finance company. While Crédito Real USA is a subsidiary of Crédito Real SAB., prior to and following the acquisition, Crédito Real USA has maintained separate operations with no reliance on the parent company.

In February 2022, Crédito Real SAB was placed in default after it missed an interest payment on a 170 million Swiss franc note (equivalent to US $184 million). Crédito Real SAB was not able to secure a loan that would have allowed it to refinance the Swiss franc debt and is currently working with firms to develop a restructuring plan.

The default by Crédito Real SAB did not cause an event of default for CRUSA 2021-1. Crédito Real USA is the servicer of the receivables and the potential for servicing disruption is mitigated by the presence of Vervent Inc. as the back-up servicer. Vervent Inc. conducts periodic on-site visits, receives monthly pool data, confirms certain data on the monthly servicer reports and will become the successor servicer if Crédito Real USA is terminated as servicer. The potential for disruption was considered in effectuating the actions and constrained the positive rating adjustments.

As of March 31, 2022, Crédito Real USA operates in 32 states partnering with approximately 1,700 primarily independent dealerships. Headquartered in Fort Lauderdale, Florida, Crédito Real USA serves consumers who are typically unable to obtain financing from traditional lending sources such as credit unions, banks, and captive auto finance companies. The Company offers automobile financing through three indirect financing programs:

- Classic Program: a traditional subprime auto finance program geared towards customers with limited or negative credit history.
- Vamos Program: a program geared towards dealers that market to the Latin American Community in the United States. Customers in this program may include undocumented applicants without Social Security numbers but who have tax identification numbers and either positive or no credit history.
- Bankruptcy ("BK") Program: a program designed for customers who are in an open Chapter 7 or Chapter 13 bankruptcy or have recently discharged a bankruptcy within six months.

As of the March 31, 2021 cutoff date, Classic, Vamos, and BK comprised 66.3%, 19.0% and 10.2% of the collateral pool, respectively. Approximately 3.2% of the collateral pool included seasoned legacy loans that were acquired in 2019 from Crédito Real USA's former sister company, Don Carro, which used the Classic and Vamos programs as a template for its underwriting.

In performing this rating review, KBRA utilized its Auto Loan ABS Global Rating Methodology, as well as its Global Structured Finance Counterparty Methodology and ESG Global Rating Methodology. The tables and charts below provide information on the collateral, performance, and credit enhancement of the deals included in this review, as well as a summary of KBRA's cumulative net loss ("CNL") analysis.

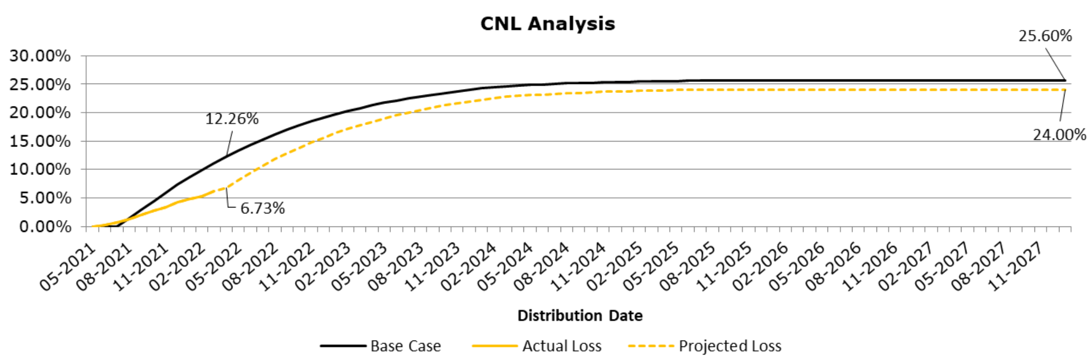
Collateral Summary

- Collateral has amortized to $95.2 million, which is a 62.80% pool factor.
- The number of receivables has decreased to 7,578 from 9,643 at closing.

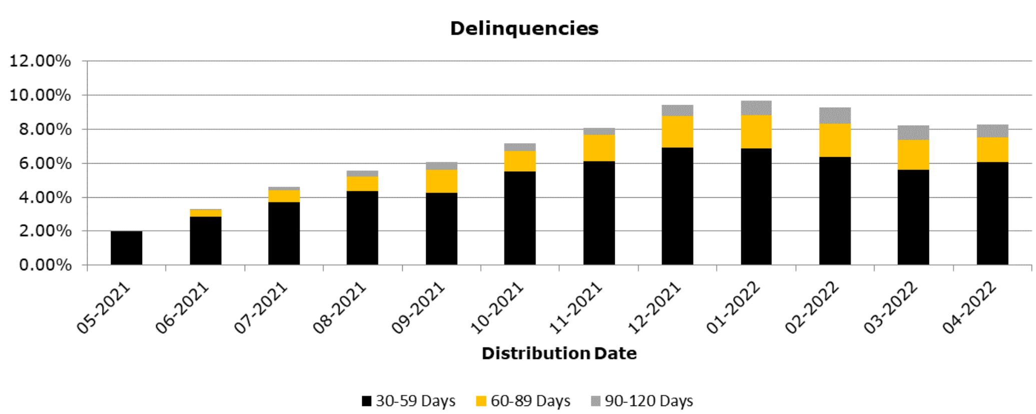
Term	Balance ('000s)	Pool Factor	APR	Average Remaining Term	Number of Receivables
Original	$151,601	100.00%	23.46%	52.00	9,643
6 Month	$124,463	82.10%	23.78%	50.06	9,317
Current	$95,208	62.80%	23.84%	45.36	7,578

Performance Summary

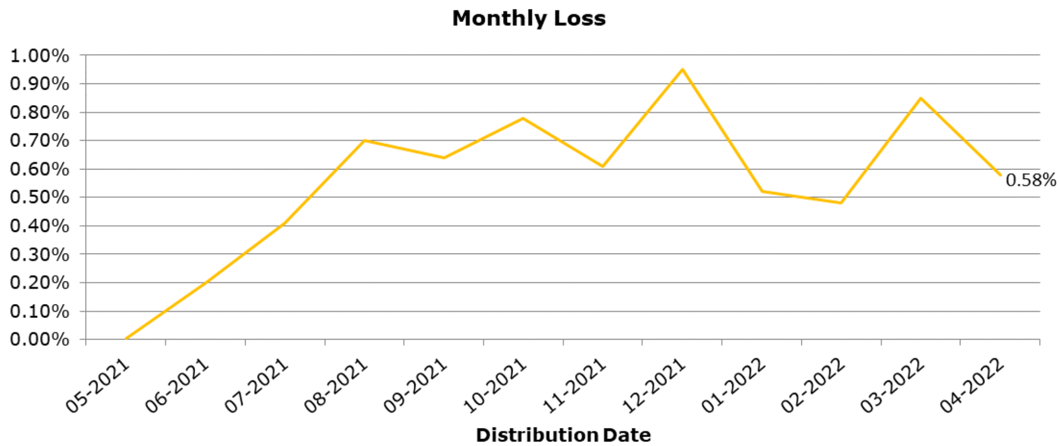
- CNL to date is 6.73%, which is below KBRA's base case expectation at closing of 12.26% at 12 months of seasoning.
- Based upon performance to date, KBRA projects losses to be between 23.00% - 25.00% with a mid-point of 24.00%; a decrease since closing (April 2021).



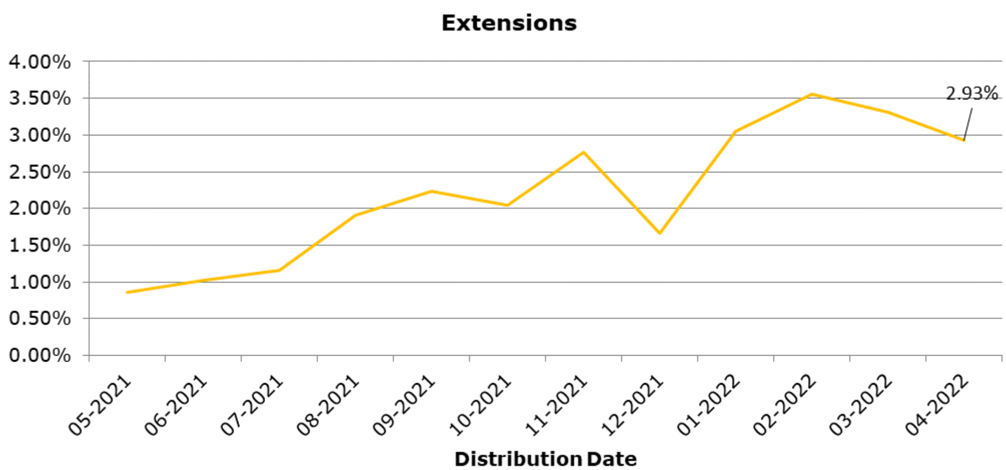
- As of the April 2022 distribution date, the current delinquency level of this transaction is 8.20%. 30-59 day delinquent loans comprise 5.06% of the total delinquency level.
- Delinquency levels may increase as the pool seasons and the pool factor declines. Additionally, these levels may increase or decrease in part due to seasonal factors. The potential effects of inflation may also lead to increased delinquency levels.



- The monthly net loss rate has ranged from approximately 50 -100 bps over the last several months. The net loss rate has decreased from the prior month and is currently at 0.58%.



- Extension levels are currently at 2.93%, down from its peak of 3.56% in February 2022.



Credit Enhancement Summary

- Total credit enhancement ("C/E") for each outstanding class of notes has increased since closing.
- The transaction's overcollateralization ("O/C") target is the sum of (i) 2.50% of the initial pool balance plus the aggregate principal balance of all subsequent receivables and (ii) 16.00% of the current collateral pool balance.
- The O/C target was met in the June 2021 collection period and has remained at the target level since.
- The required reserve amount is 1.50% of the initial pool balance. This is a non-declining reserve account which will continue to make up a greater percentage of the pool balance as the pool amortizes. The current reserve amount is 2.39% of the current pool balance.
- Subordination has increased for the Class A and Class B notes as the transaction delevers.

	Initial C/E[1]				Current C/E[2]			
Class	Subordination	O/C	Reserve Account	C/E	Subordination	O/C	Reserve Account	C/E
A	15.25%	14.00%	1.50%	30.75%	21.89%	19.98%	2.39%	44.26%
B	7.75%	14.00%	1.50%	23.25%	9.95%	19.98%	2.39%	32.32%
C	0.00%	14.00%	1.50%	15.50%	0.00%	19.98%	2.39%	22.37%

[1] % of Original Balance
[2] % of Current Balance

Rating Sensitivity Analysis

The ratings assigned to CRUSA 2021-1 will be monitored through the life of the transaction. If performance of the transaction, including losses, differs meaningfully from the expected levels, KBRA may consider making a rating change.

The table below illustrates the potential for downgrade of each investment grade rated class if the expected cumulative net loss levels exceed current expectations based upon the leverage in the transaction currently. 'Stable' means a downgrade is unlikely. 'Moderate' means a potential downgrade of up to one rating category is possible. 'Severe' indicates a multi-category downgrade is possible.

In addition to providing insight into the risk of rating migration, the table also indicates which scenarios may cause particular classes to default. Any scenario that indicates 'Default' for a class means that our cash flow projection indicated a default in the payment of principal under that scenario.

		Class and Initial Rating	
CNL Increase	Resulting CNL	Class A	Class B
Current Base Case CNL	24.00%	Stable	Stable
10%	26.40%	Stable	Stable
20%	28.80%	Stable	Stable
30%	31.20%	Moderate	Moderate
40%	33.60%	Moderate	Moderate
50%	36.00%	Moderate	Severe
60%	38.40%	Severe	Severe
100%	48.00%	Severe	Default

It should be noted that many factors, including economic stress, market conditions and servicing operations can impact the performance of the loan pool and influence rating decisions, both positively and negatively.

Related Publications:

- Crédito Real USA Auto Receivables Trust 2021-1 New Issue Report
- Auto Loan ABS Global Rating Methodology
- Global Structured Finance Counterparty Methodology
- ESG Global Rating Methodology

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