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Midwest BankCentre Expands Access to Affordable Capital for Auto Refinancing

ST. LOUIS (Aug. 4, 2021) --- **Midwest BankCentre** has launched a new auto refinancing loan program that expands access to reasonably priced capital for customers throughout Missouri and Illinois. The program anticipates an average savings of 15% on consumer auto loans, which typically rank as the second largest consumer financing expense after mortgages.¹

The new program is particularly helpful to customers whose credit score has improved since a car or truck was purchased, those who were put in a loan by a selling dealer at a rate that is higher than the rate for which they may qualify, and those who want to lower their monthly costs by extending the length of the loan.

“Consumers have a higher level of awareness of the savings to be achieved by refinancing their mortgages, but fewer than half of all U.S. adults are even aware that they can refinance vehicle loans,” said **Orvin T. Kimbrough**, chairman and CEO of Midwest BankCentre. “Even fewer -- just 12% of those who own or lease a vehicle -- have ever refinanced a car loan.”

Yet significant savings are available. Among car owners nationally who arranged auto financing through used car dealers, the average vehicle loan payment is \$480 per month. It is anticipated that Midwest BankCentre’s new loan program will reduce that average payment by an estimated \$75 per month, for a potential average savings of about \$900 a year. Each year in the U.S., Americans originate net new vehicle loans totaling \$400 billion.

For many people, buying a car is their first major purchase and initially their largest monthly expenditure. “When I bought my first car in 1995, I thought a 20% interest rate on my car loan was a good deal. As a young man earning low wages with a limited credit history and no co-signer, I thought I was lucky to be able to secure a car loan so I could get to school and

¹ This estimate is based on all consumers who were approved for these auto loans and accepted final terms. As of July 1, 2021, the average monthly savings totaled \$77.95, or 15.43% of the original loan payment.

work every day on time,” Kimbrough said. “An accountant, who later became my wife, opened my eyes to the extra money I could save by refinancing my loan.”

To further expand access to capital, the bank accepts a minimum credit score that is lower than many lenders require and offers personalized assistance to applicants who have no credit history.

To expand its direct auto lending business, Midwest BankCentre has adopted a digitally-enabled auto refinancing solution that accelerates the loan process with faster credit decisions and more accurate financing of auto loans. Residents of Missouri and Illinois may apply for loans either online at [//midwestbankcentre.com/auto](https://midwestbankcentre.com/auto) or at any of Midwest BankCentre’s 18 branches in the City of St. Louis, the counties of St. Louis, Jefferson and St. Charles, and in O’Fallon, Ill.

“We are making a significant difference in strengthening our shared prosperity through programs like this,” Kimbrough said. “Access to reasonably priced capital holds the key to closing the wealth and health gaps created by poverty. Too many traditional credit scoring methods shut people out. We’re bringing start-of-the-art technology, convenience and access to our customers. Through programs like these and the strength of our personal customer relationships, we are putting more money back in our customers’ pockets and generating financial well-being and options for more people.”

Midwest BankCentre will continue to apply the latest digital solutions to offer seamless customer experiences. In 2020, Midwest BankCentre was recognized for its leadership in fintech innovation with the prestigious Celent Award Model Bank for Community Transformation and Tearsheets Bank Fintech Partnership Award.

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About Midwest BankCentre

Midwest BankCentre, St. Louis’ second largest locally owned community bank, is a local leader in the St. Louis Regional Financial Empowerment Coalition and its Bank-On Save-Up St. Louis initiative. Since 2001, Midwest BankCentre has consecutively achieved the Bauer Financial 5-Star Superior financial rating each quarter. It has been recognized for its success in bringing mainstream financial services to unbanked and underbanked citizens in the region and other diversity and inclusion contributions with the 2019 Community Commitment Award from the American Bankers Association Foundation and the 2018 National Community Bank Service Award from the Independent Community Bankers of America®.