TRUE: A strong economy and greater buying power is driving more leasing and financing of vehicles than ever before.
RESULT: The amount financed is larger than ever before.

ALSO TRUE: Average monthly payments are higher than ever before and loan terms are now extending to 108 months.
RESULT: American consumers are over-extended. Delinquencies and repossessions are on the rise.

The US economy and earning power is stronger than ever before
+3.2%
Q1 2019 US GDP growth rate
3.6%
Unemployment April 2019 - lowest since 1969
+2.2%
Year-over-year CPI growth

Buyers want more car than ever before, even at subprime rates
$38,019
average amount financed
$551
average car payment, 10% higher than 2016
Subprime auto loans in the United States account for almost 25% of all auto loans (value of nearly $300 billion)

Lenders are issuing more auto loans than ever before
$1.27T
Auto lending – fastest growing asset class
$584B (highest in 19 years)
auto loans in Q2 2019
87M (12.8% more than in Q2 2016)

Longer loan terms and higher loan amounts lead to delinquencies and repossessions
7%+
of loans are over 84 months
Loans extending to 108 months due to a higher price of a car
Over 7 million loans are at least 90 days delinquent, the highest total in 20 years

Manage the Risks and Costs of Repossessions
When repossession volume grows, it is important to act fast. You need to secure repossession titles and affidavits, accurately and cost efficiently. You must account for specific jurisdictional requirements. You are under pressure to stay compliant and audit-ready.

We are here to help! Wolters Kluwer’s Lien Solutions is the trusted partner for quick, compliant and transparent repossession titling solutions to help reduce time to vehicle resale, and increase recovery of loss due to loan defaults.

www.liensolutions.com