

Auto Debt

Auto Loan Balances today stand at **\$1.3 Trillion dollars**, an **increase of 75% over the past decade** and **rising at the fastest rate among Seniors 70+ years of age**. Auto Loan balances remain slightly behind student loan debt of **\$1.6 Trillion** and ahead of credit card balances of **\$870 Billion**. The average vehicle **loan term for new cars is now 69 months** while **used vehicle loan terms stretched to 63 months**, the longest terms on record. Both loan balances for new and used vehicles as well as monthly payments for new and used vehicles reached record high levels. **Sub-prime Auto Loan** Originations (**Credit Score less than 660**) surged **above 31%** of total originations in the fourth quarter of 2018.

Total Balances On Outstanding Auto Loans⁴



\$1.6 Trillion
2018 Q3

Equal To **5.5%** of GDP

113 Million Open Auto Loan Accounts In The US In 2018 Q3⁴



Up From
81.4 Million in 2010
An Increase Of

39%

Auto Loan Balances In The US⁴



Increased
75%

Since **2009 Q4**

Auto Debt Among Oldest Americans (70+)⁴



Increased
by 73%

From **2007 - 2017**

Sub-Prime Auto Loan Originations (<660)¹



CREDIT SCORE

31%

In **2018 Q4**

Average Vehicle Payment Amounts In The US⁵



New Vehicles **\$515**



Used Vehicles **\$371**

Average Vehicle Loan Amounts In The US⁵



New Vehicles **\$31,099**



Used Vehicles **\$19,589**



New Vehicles **69 Months**



Used Vehicles **63 Months**

¹ Source: New York Federal Reserve Bank: Household Credit Data 2018 Q4

⁴ Source: https://uspig.org/sites/pirg/files/reports/WEB_USP_Driving-into-debt_Report_021219-v2.pdf

⁵ Source: Experian - <https://www.cnbc.com/2018/03/01/americans-borrow-record-amounts-for-autos-even-as-interest-rates-rise.html>