



Swapalease.com Auto Lease Trends Report

2nd Quarter | 2017

A snapshot of the auto lease industry

About The Report

Swapalease.com studies lease market trends and consumer insights each quarter. In order to gain these insights the company studies a variety of lease market data, and takes the pulse of consumer appetites for leasing by presenting surveys to more than 2,500 drivers across the U.S.

The purpose of the report is to provide a deeper understanding to the industry on where U.S. auto lease activity is in the present market, and where it may be forecast to go in coming quarters.

Headquartered in Cincinnati, Ohio, Swapalease.com is the world's largest automotive lease marketplace and the pioneer in facilitating lease transfers online. More specifically Swapalease.com matches individuals who want to get out of their lease with people who are looking for short-term lease agreements. Prospective buyers can search the listings for the exact vehicle they want, and then register for a nominal fee, allowing them to use Swapalease.com's safe online system to contact the prospective seller and close the deal. For more information about Swapalease.com or how to exit your lease early, call 866-SWAPNOW or visit www.swapalease.com.



Auto Lease Activity in Q2 | 2017

The second quarter of 2017 saw mostly stable lease levels, although leasing as a percent of overall sales slipped slightly from its highs earlier in the year. While the latest lease penetration figures show leasing down to 31.1% in the first half of 2017, compared to 31.9% the same time a year earlier¹, this represents less than a 1% drop in lease activity. Compare this to sales activity, which is down closer to 6% during the same time periods, and it's clear that any weakness in leasing reported in the media today may be an overreaction.

It is expected that lease levels will remain relatively stable through the remainder of 2017. Swapalease.com will continue to watch for trends regarding vehicle search patterns, pricing, and exit trends which can determine desired length of lease terms.

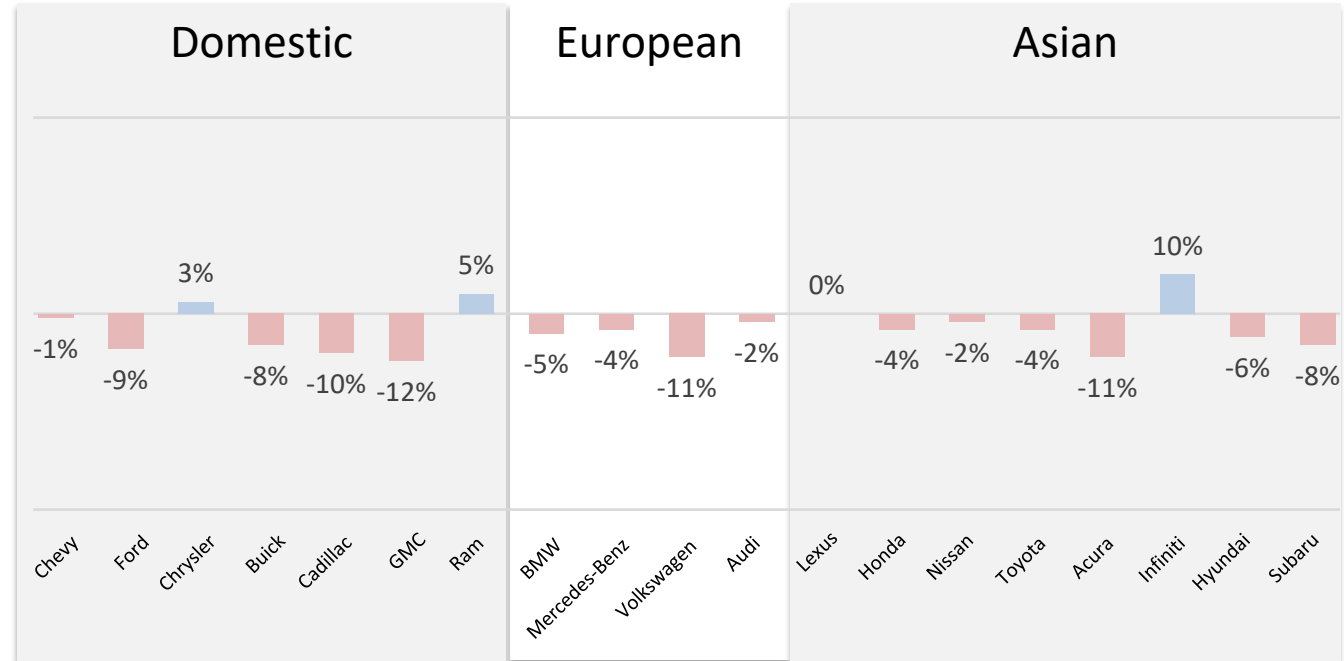
1: "Lease falloff goes beyond customer apathy"; *Automotive News*, July 26, 2017



Swapalease Q2 Lease Report

Q2 Searches by Brand

Infiniti, Ram and Chrysler were the only three brands that saw a jump in search traffic compared to the previous quarter. This mirrored the slight slowdown overall in lease activity across the entire auto industry.

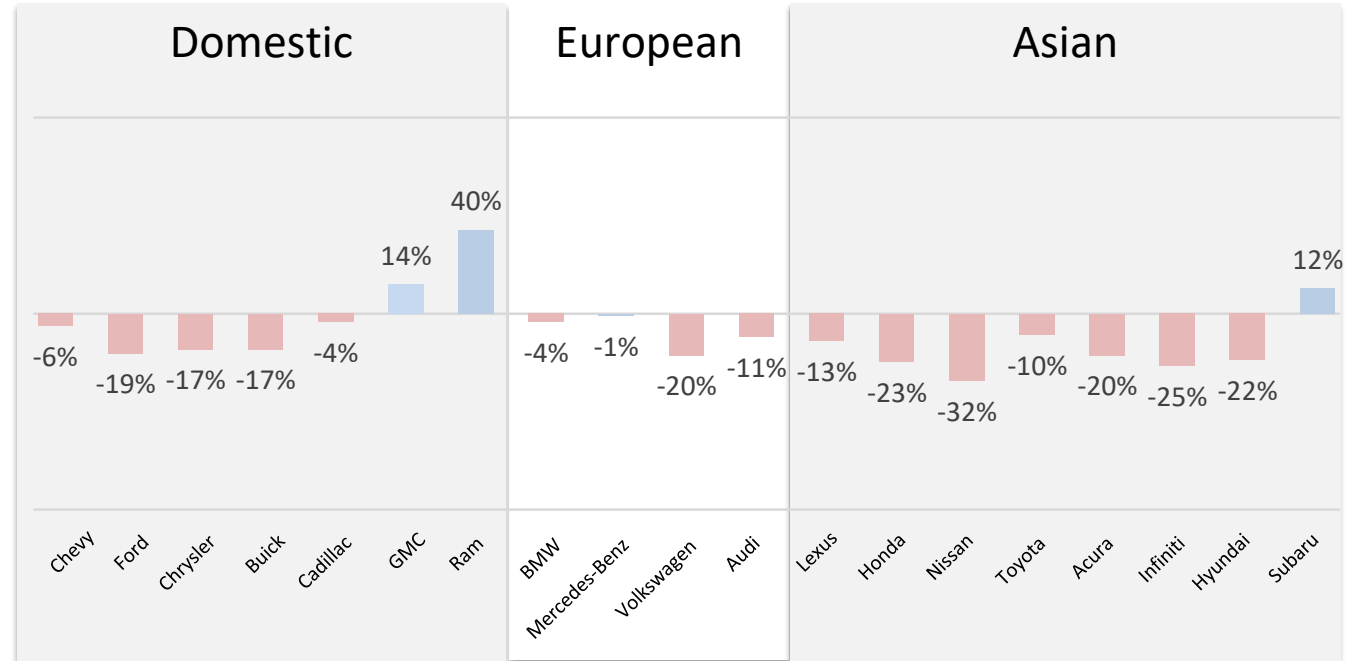


*Compared to Q1 - 2017

Swapalease Q2 Lease Report

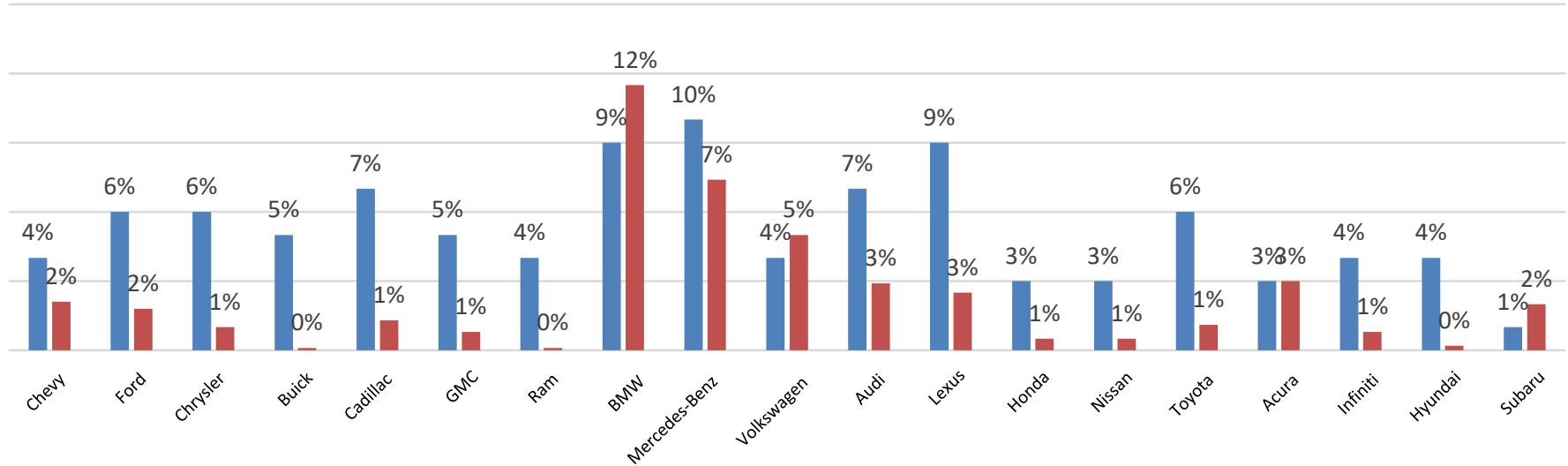
Q2 Searches by Brand

Domestic brands, such as GMC and Ram, continue to showcase strength in leasing, with search traffic up significantly compared to the same time a year ago. This is indicative of value, deals, and availability on the Swapalease.com marketplace.



*Compared to Q2 – previous year

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% of Total Traffic

Q1 '17

Q2 '17

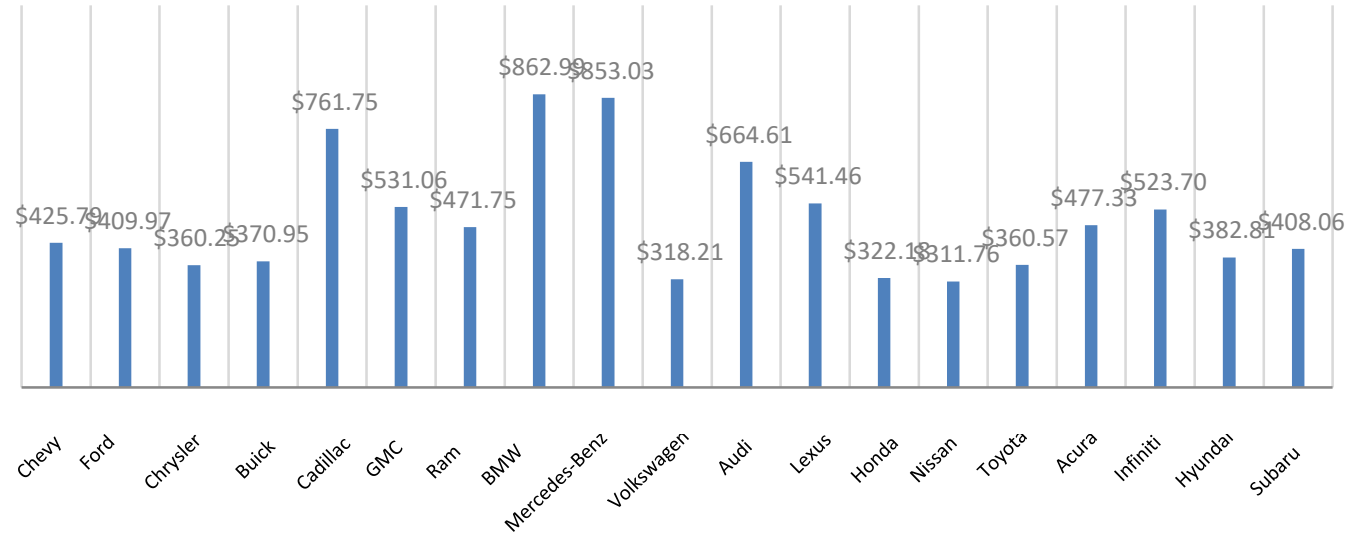
During Q2, most brands saw a decrease in search traffic from the previous quarter. BMW's total search traffic grew, showing the strength the brand continues to have on the Swapalease.com marketplace. Volkswagen also grew, continuing its rebound from the scandal of a few years back.

Swapalease Q2 Lease Report



Q2 Avg. Payment by Brand

Americans paid an average of \$474.39 per month on their leases during the 2nd quarter.



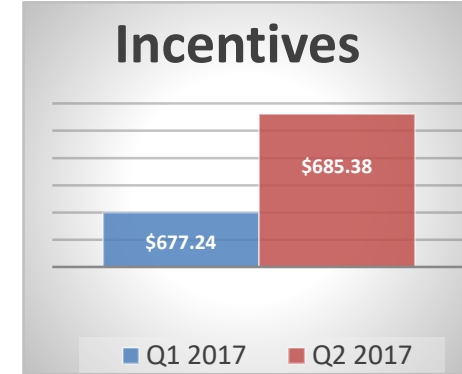
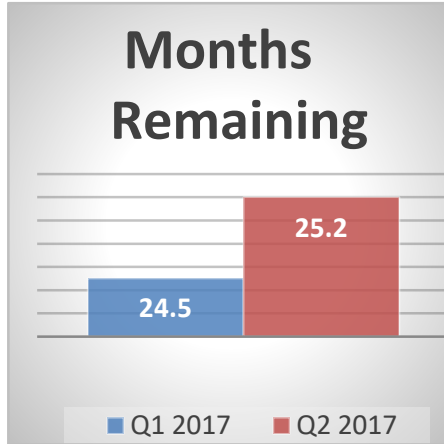


Lease Term Trends

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Q2 Lease Snapshot Y-O-Y

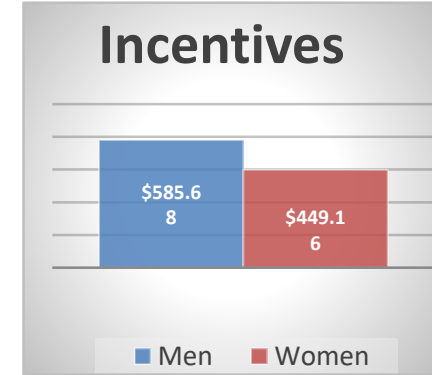
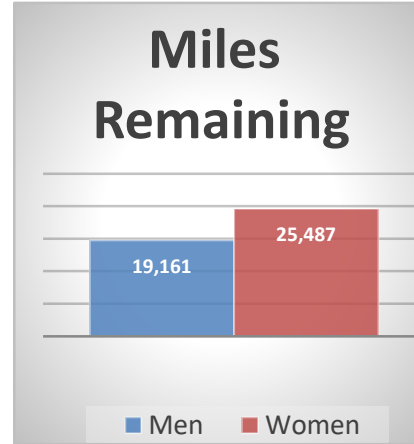
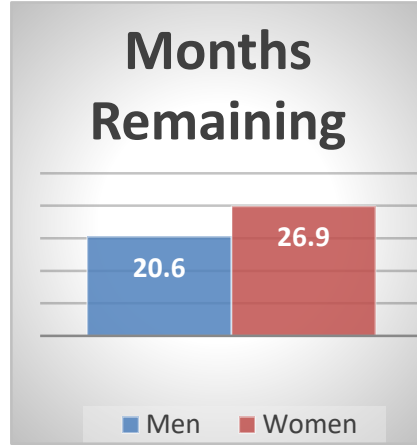


Q2 Lease Trends

Months remaining and miles remaining numbers continue to rise from year-over-year levels, an indicator that people are looking to escape their leases earlier in their contract.

Swapalease Q2 Lease Report

Q2 Lease Snapshot (by gender)



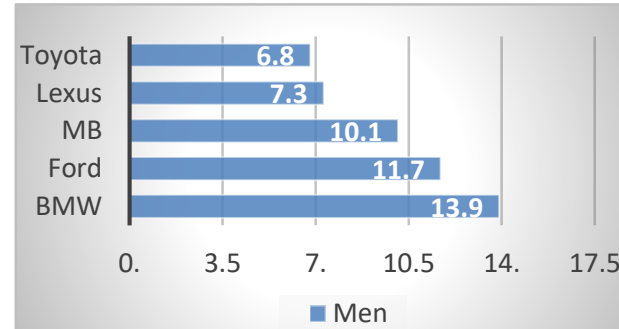
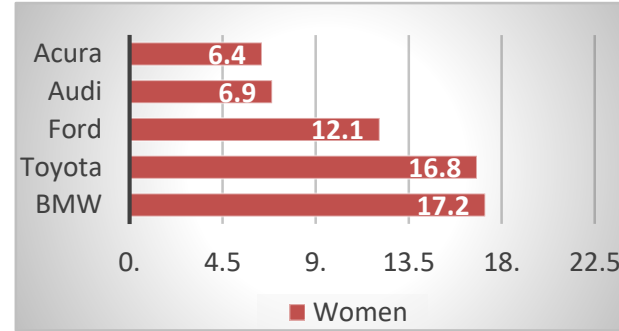
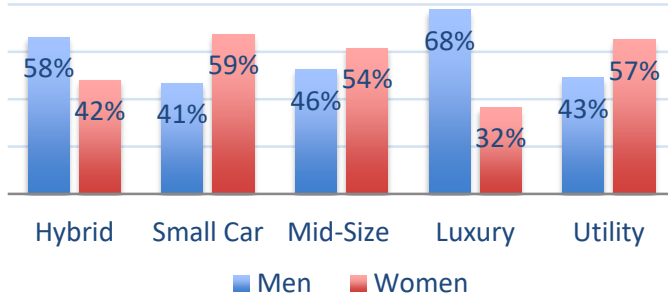
Q2 Lease Trends

Women continue to look to escape their leases earlier in the lease contract than men. However, men continue to offer higher incentives on their vehicles.

Swapalease Q2 Lease Report

Q2 Lease Profiles

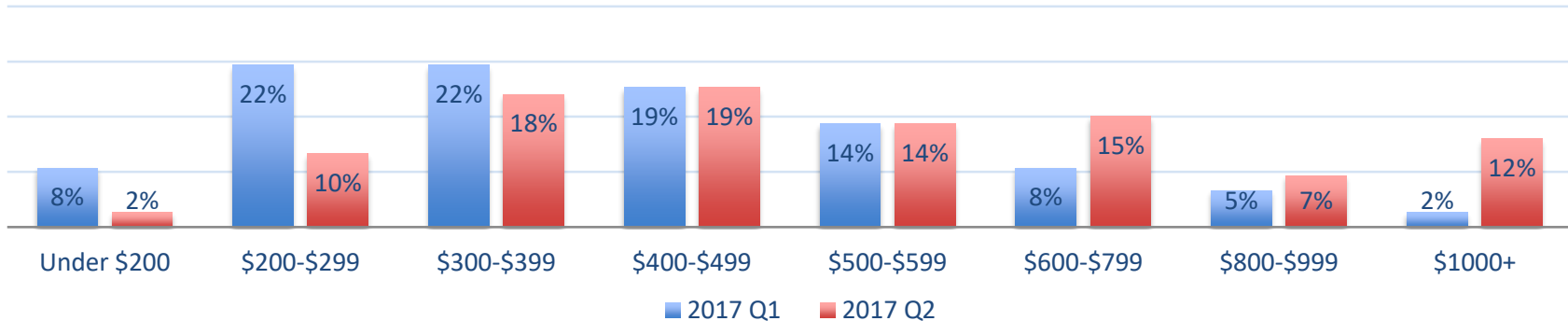
WHAT THEY'RE LEASING



Swapalease Q2 Lease Report

Q2 Lease Profiles

WHAT THEY'RE PAYING



Average Payment Q2 vs. Q1

The average monthly payment on a lease in Q2 was \$656.93.

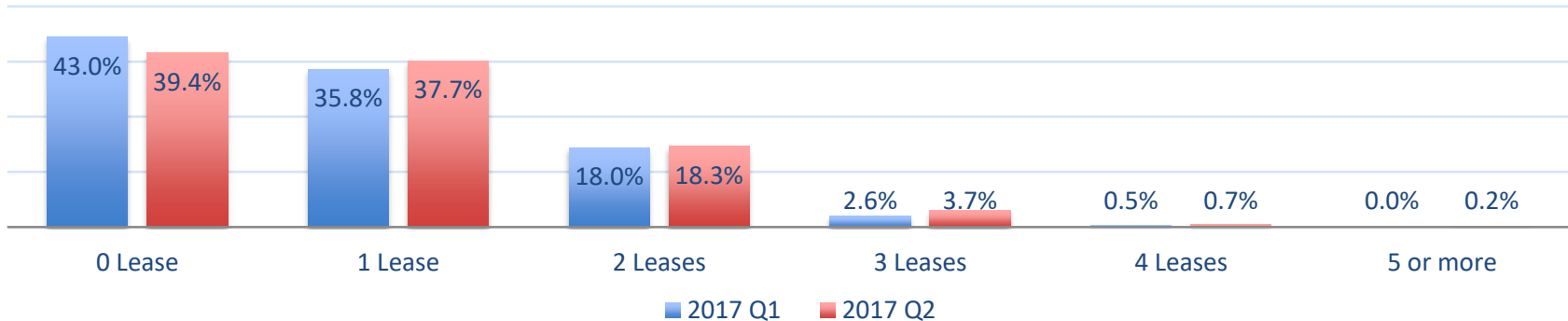
Brand Trends



Swapalease Q2 Lease Report

Q2 Lease Profiles

Number of Leases Per Household



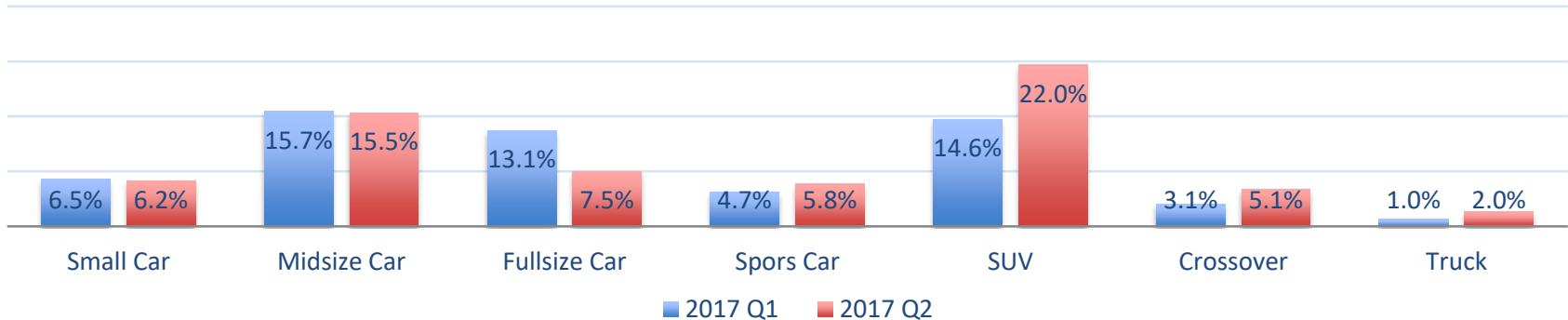
Number of Leases Per Household

During Q2 2017, the number of leases per household remained relatively unchanged compared with the previous quarter, however, there was a noticeable increase in the number of people reporting at least 1 lease at their household.

Swapalease Q2 Lease Report

Q2 Lease Profiles

What Type of Lease Are You Driving?



Type of Lease in the Driveway

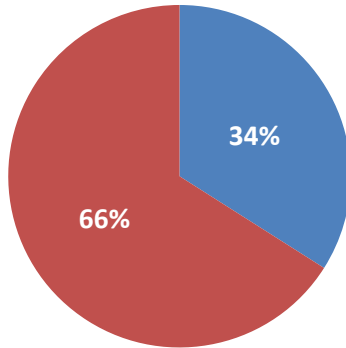
Smaller cars, mid-size cars and Fullsize cars all saw slight decreases from Q1 to Q2; SUVs and crossovers saw growth.

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Q2 Lease Profiles

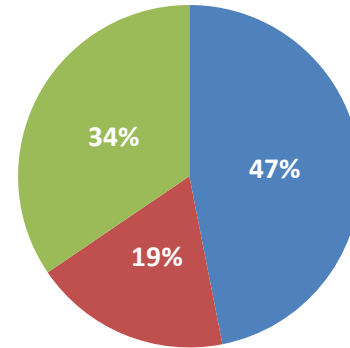
■ Domestic ■ Import



Type of Vehicle You'd Want to Lease

The split between foreign (two thirds) and domestic (one third) remains mostly unchanged.

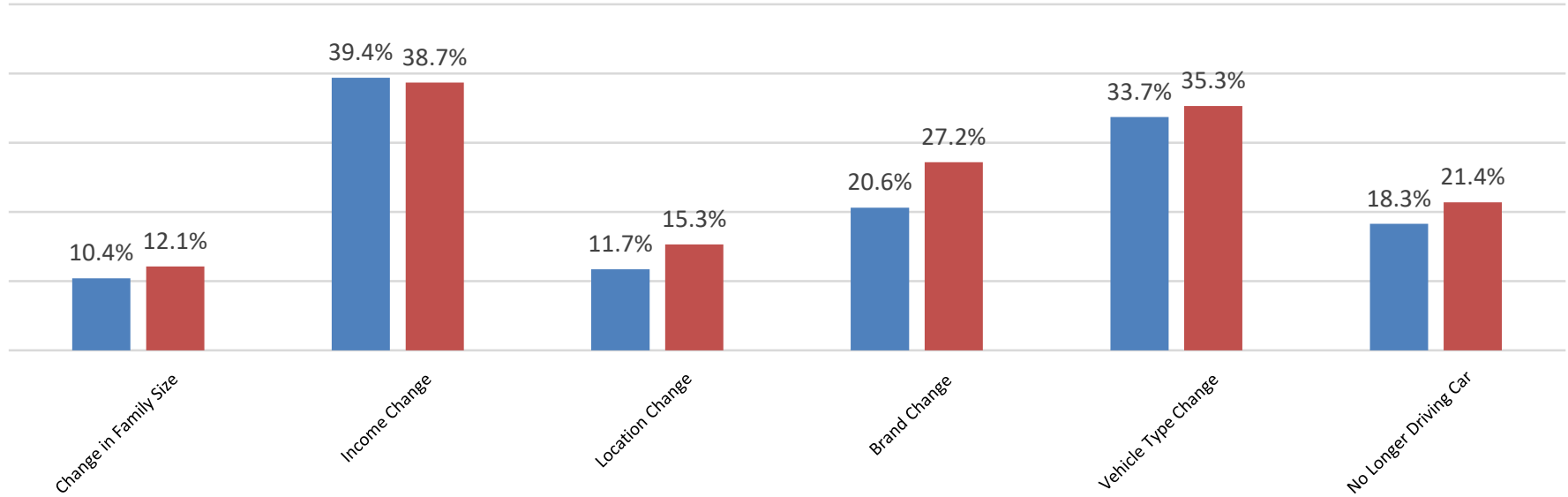
■ Yes ■ Not Sure ■ No



Stay with the Same Brand?

More drivers in the 2nd quarter said they wanted to stay with the same brand compared with the 1st quarter.

Swapalease Q2 Lease Report



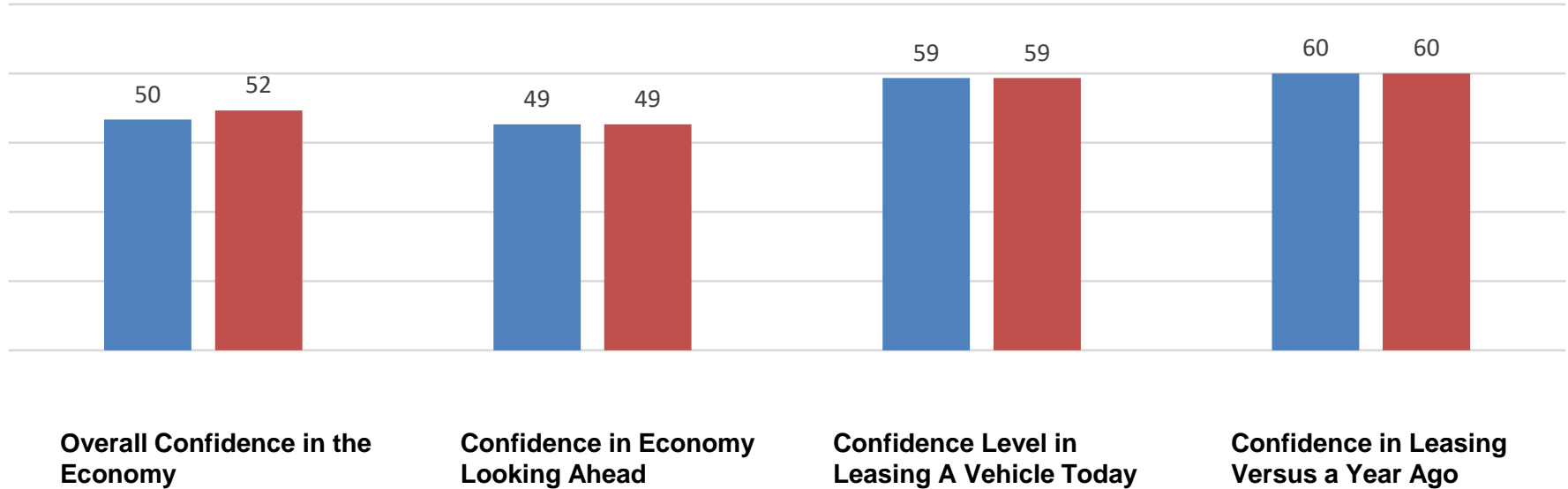
Reasons For Change

Q1 '17

Q2 '17

“Income change” was the only reason that saw a dip from quarter to quarter, indicating a mostly healthy economy currently.

Swapalease Q2 Lease Report



Economy & Lease Confidence Indexes

Those polled feel generally more confident about the overall economy, as well as their desire to shop for a vehicle lease compared when considering economic conditions today, going forward, or compared with a year ago.

Q1 '17

Q2 '17

