

Swapalease.com Auto Lease Trends Report 3rd Quarter | 2016

A snapshot of the auto lease industry

Auto Lease Activity in Q3 | 2016

With the broader automotive market remaining on pace for another stellar sales year, auto lease activity also continued at a healthy pace. Swapalease.com, the nation's largest online marketplace for auto leases, analyzed its complete marketplace for activity trends during the third quarter of 2016. More than 50,000 data records were analyzed for the information in this report.

Additionally, Swapalease.com presented an online survey in front of more than 2,500 Americans during the month of October, 2016, to gauge their views on their perspectives and appetite for auto leasing, as well as auto shopping in general.

The report on the following pages depicts a mostly healthy auto lease market currently, with insights into lease payments; length of terms; desired brands for leasing; reasons for lease exits; as well as demographic/gender breakdowns of lease activity.

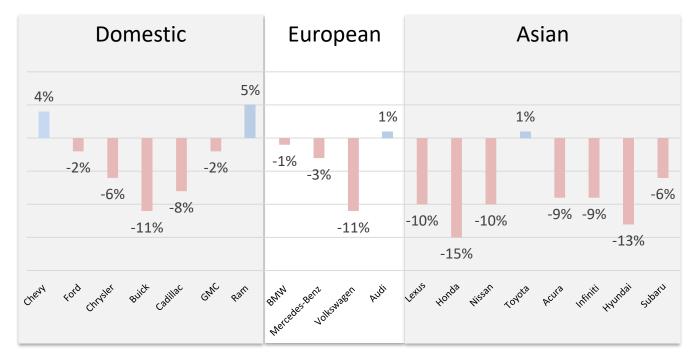




Q3 Searches by Brand

The majority of brands saw search activity fall during the third quarter compared with search activity during the second quarter, with a few domestic brands seeing gains in search activity on Swapalease.com.

Swapalease.com officials believe this drop off was mostly seasonal, and they expect search traffic to rebound in the fourth quarter as endof-year shopping patterns take shape.

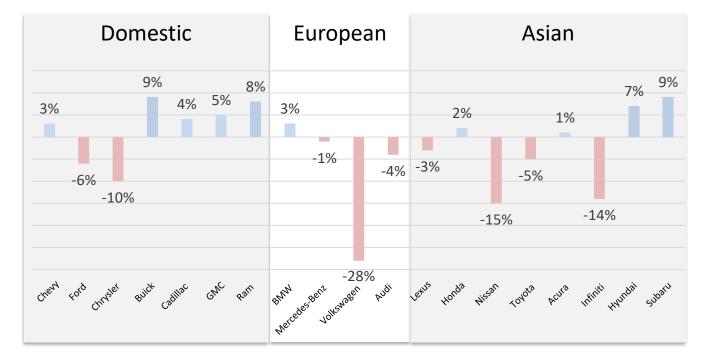




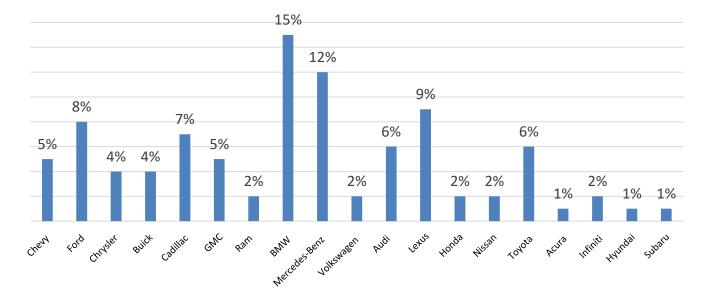
Q3 Searches by Brand

When looking at brand-specific search traffic in the third quarter versus the same quarter a year ago, it's evident the impact the Volkswagen scandal has had on American auto lease shoppers.

What's more, domestic auto leases are gaining ground on their foreign lease competitors.







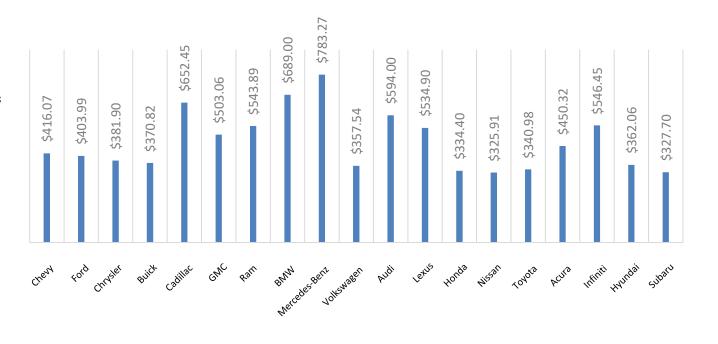
Q3 Searches | % of Total Traffic

While domestic brands continue to make gains, European brands in particular remain in control of overall search traffic. BMW and Mercedes-Benz have historically led traffic on Swapalease.com, and this remained stable during the third quarter. Lexus, Cadillac and Audi – all luxury makes – also see strength in the market. Brands such as Ford, GMC and Chevy are also showing strength, mostly due to volume. Many Asian brands, with the exception of Toyota, continue to demonstrate lower search traffic, as customers are now accustomed to their unfriendly lease policies.



Q3 Avg. Payment by Brand

Americans had an average monthly payment of \$469.41 for leased vehicles on the Swapalease.com marketplace during the third quarter of 2016.



Lease Term Trends



Q3 Lease Snapshot Y-O-Y







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Q3 Lease Snapshot (by gender)



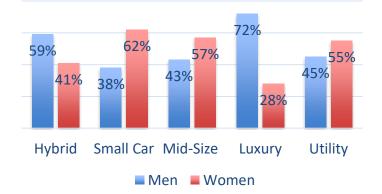


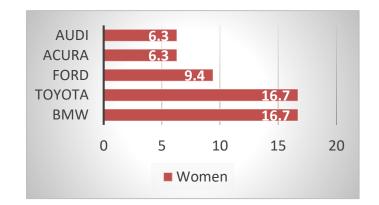


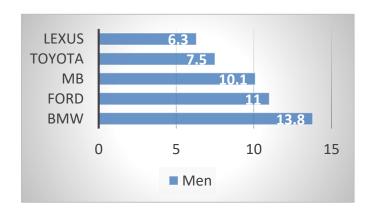


Q3 Lease Profiles

WHAT THEY'RE LEASING







Q3 Lease Profiles

Swapalease Leasing Index Survey 3rd Q 2016

If you did need to lease a vehicle today and found a vehicle that you really liked, what's the maximum monthly payment that you would consider?

Answer Options	Response Percent
Under \$200	7.0%
\$200-\$299	17.0%
\$300-\$399	25.5%
\$400-\$499	17.2%
\$500-\$599	16.6%
\$600-\$799	8.7%
\$800-\$999	3.9%
\$1,000 or more	3.9%
Average	\$ 458.15



WHAT THEY'RE PAYING



Brand & Gender Trends

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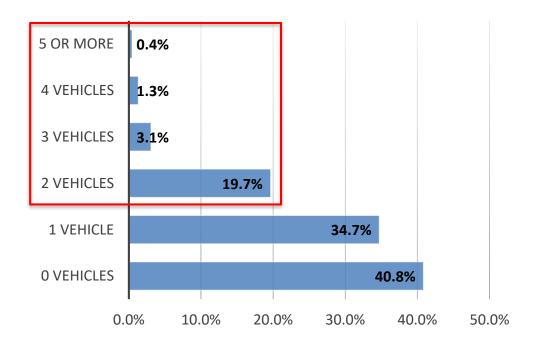


Q3 Lease Profiles

of Lease Vehicles Per Household

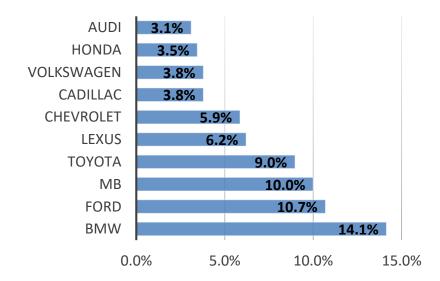
How many vehicles per household were leased in Q3?

Nearly a quarter of Americans say they're leasing two or more vehicles in their household.



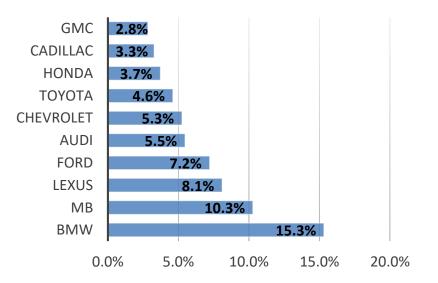


Currently Driving



When asked what they're currently driving versus what they'd want to switch to, many Americans said they would make some changes on what they're driving.

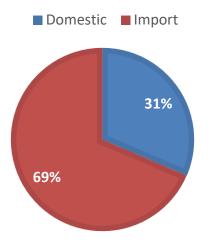
What You'd Rather Switch To ...



Interestingly enough, <u>Volkswagen</u> not only dropped out of the top 10 list, but it fell all the way to 31st with a 0.66% share.

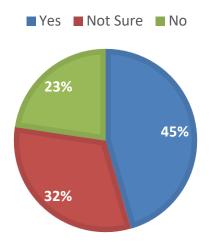


Q3 Lease Profiles



Type of Vehicle You'd Want to Lease

Most Americans want to lease a foreign vehicle, but nearly a third say domestic.



Stay with the Same Brand?

Most Americans are divided on staying with the same brand for their next vehicle. Nearly three fourths are either unsure, or would want to switch to a different brand.

Q3 Reasons For Exiting a Lease

Most men said they're escaping their lease based on "want", as opposed to women, who are largely exiting their lease based on a "need".

