

Changing Auto Lending Landscape – CCUA

David Adams

SVP, Strategic Relationships –
Lender Solutions

December 2025

ORIGENCE



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ASK QUESTIONS!

Today's Agenda

- Market Update
- Tariffs
- Dealer Groups
- Auto Shopping and Embedded Finance
- EV Update



= KEY POINT



Market Update

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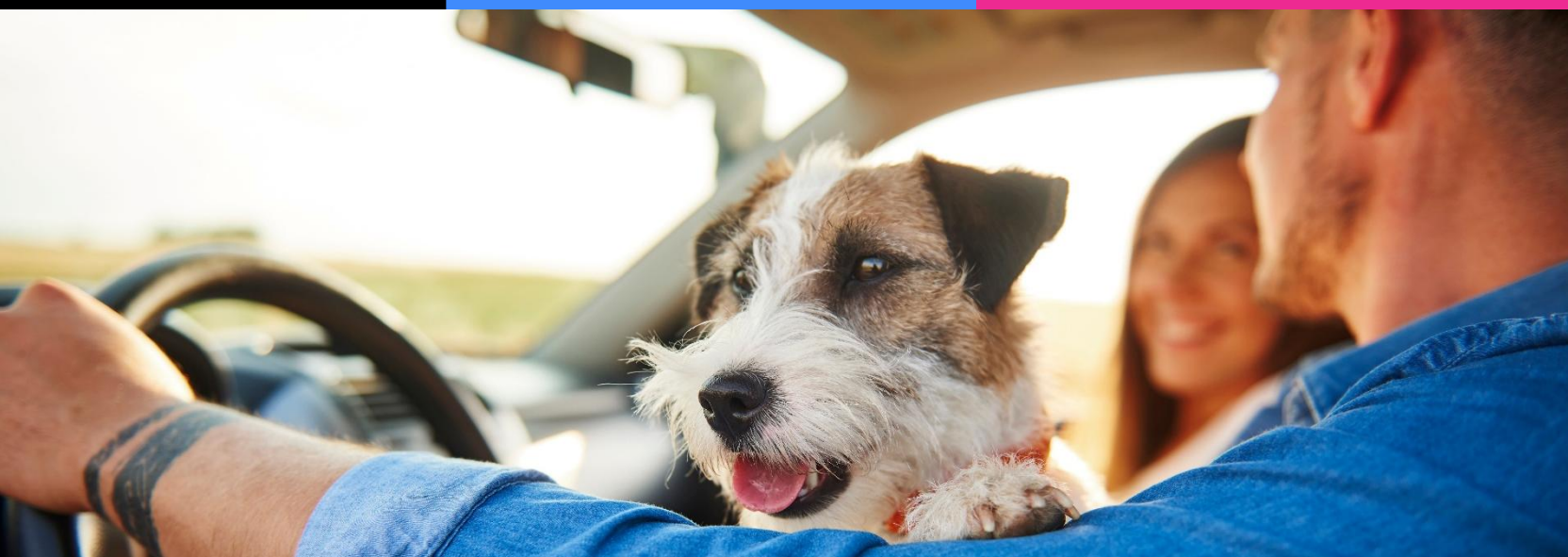
2025e Performance

\$55B

in funded loans


Over **2M**
members served

CUDL network remains
the **#1 auto lender**
in the nation for
the 5th consecutive
year



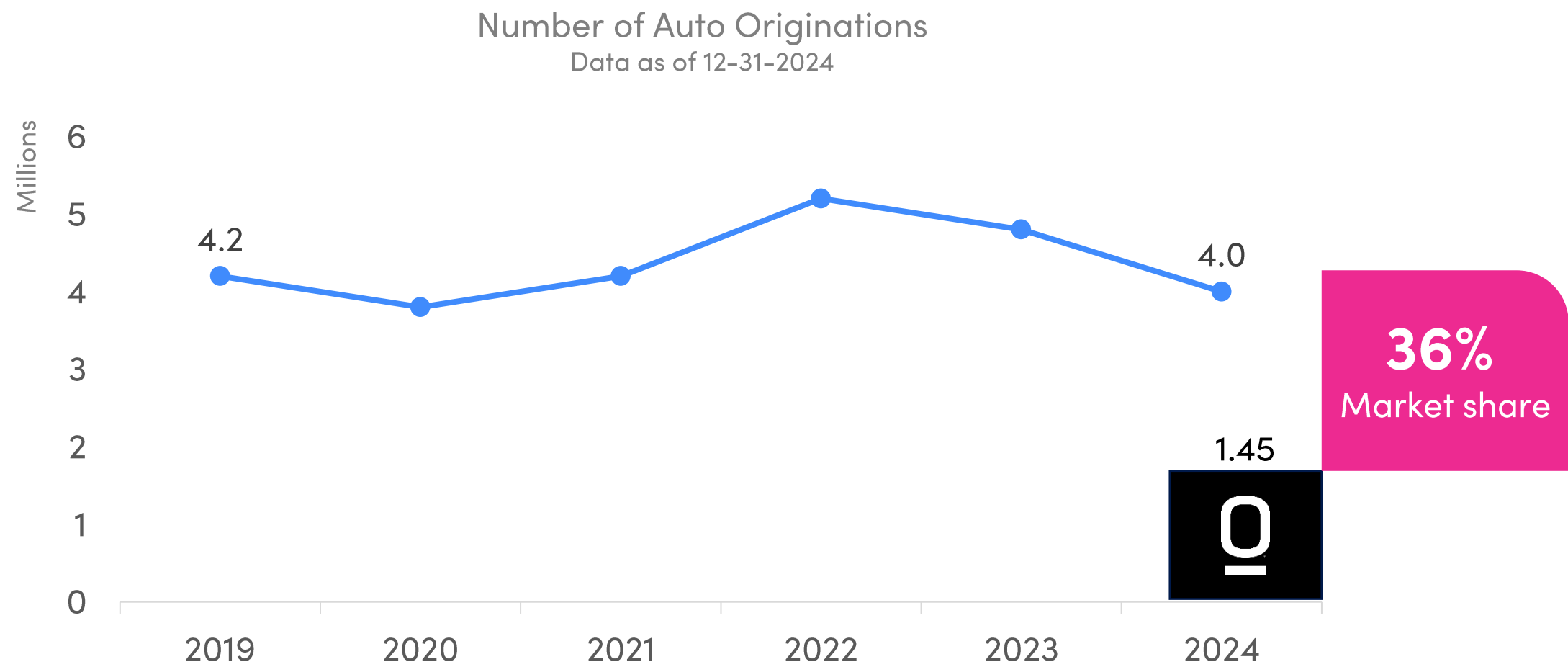


Credit Union
Lending
Network

2025 Rank	2024 Rank	Auto Lender	Total Loans 2025	October Growth
1	1	 Credit Unions <small>AN ORIGENCE BRAND</small>	1,113,412	11.74%
2	3	Capital One Auto Finance	881,274	11.51%
3	4	Ally	743,252	3.86%
4	2	Toyota Financial Services	712,192	-12.00%
5	5	Chase Auto Finance	604,872	-3.56%
6	11	Wells Fargo Auto	539,892	51.23%
7	6	American Honda Finance	521,851	-5.86%
8	7	GM Financial	500,922	-0.85%
9	10	Westlake Financial Services	456,880	20.61%
10	8	Santander Consumer Finance	420,270	-10.32%
MARKET TOTALS			6,494,817	4.71%

CUDL indirect loan totals exclude non-prime lenders and is the sum of all indirect auto loans funded by franchise and independent dealers only. CUDL funded loan volume excludes the states of WY, OK, DE, MN, WV, DC. CUDL funded loan volume also includes CUDC data. Data Source for other lenders: AutoCount, an Experian company. Loan totals exclude leases. Date range is January for each respective year.

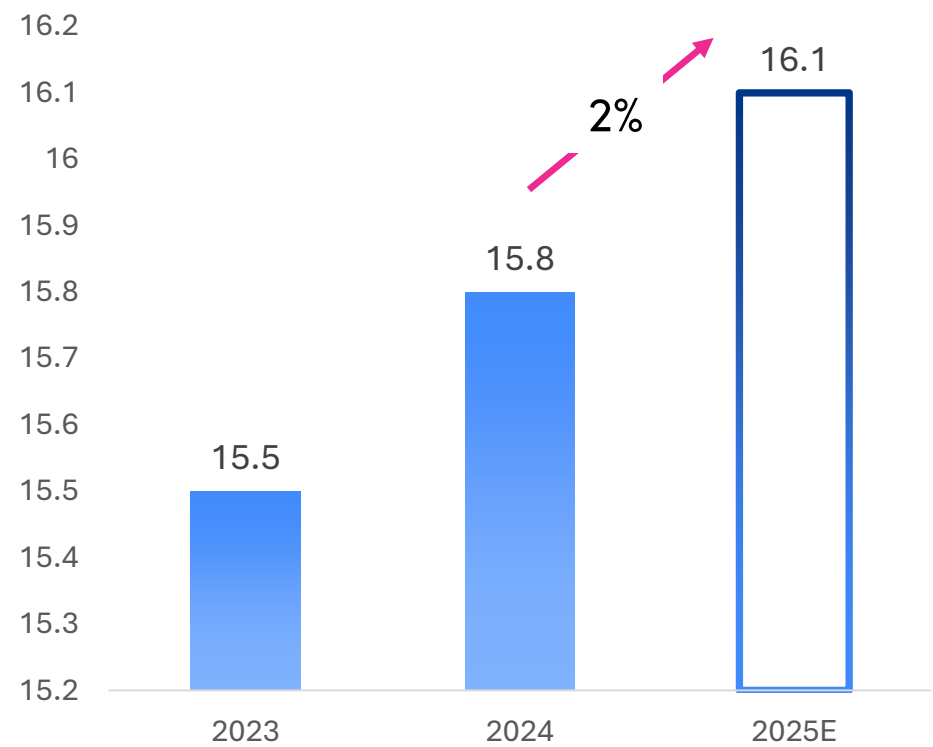
Credit Unions helped 4 million members buy a car in 2024



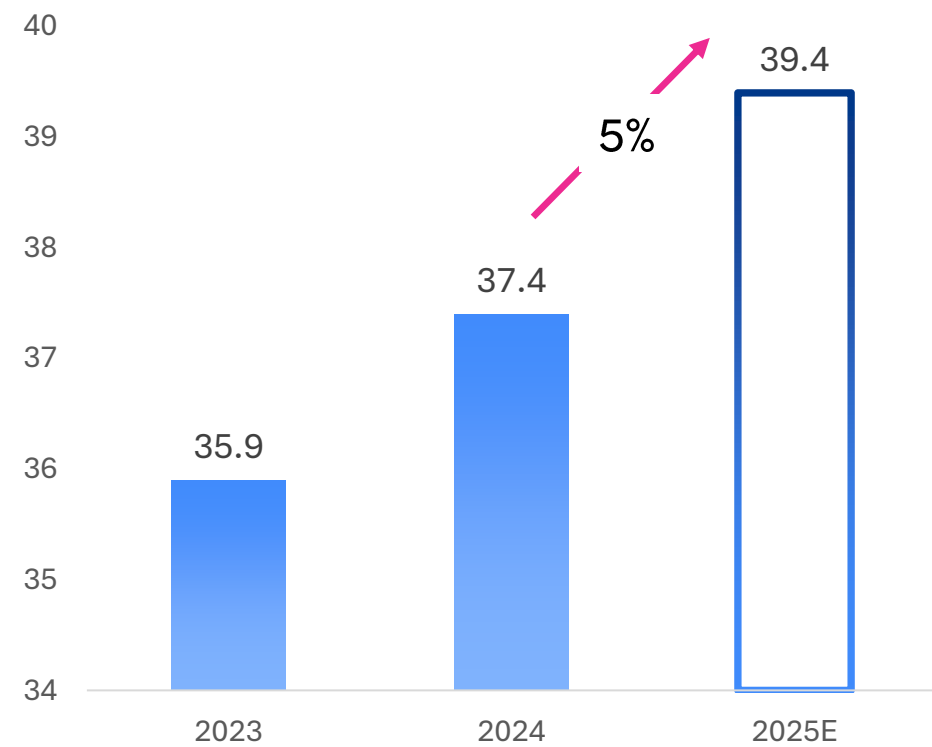
Sales Forecasts

Credit Union Auto Loan growth plans for 2026
+7.2%

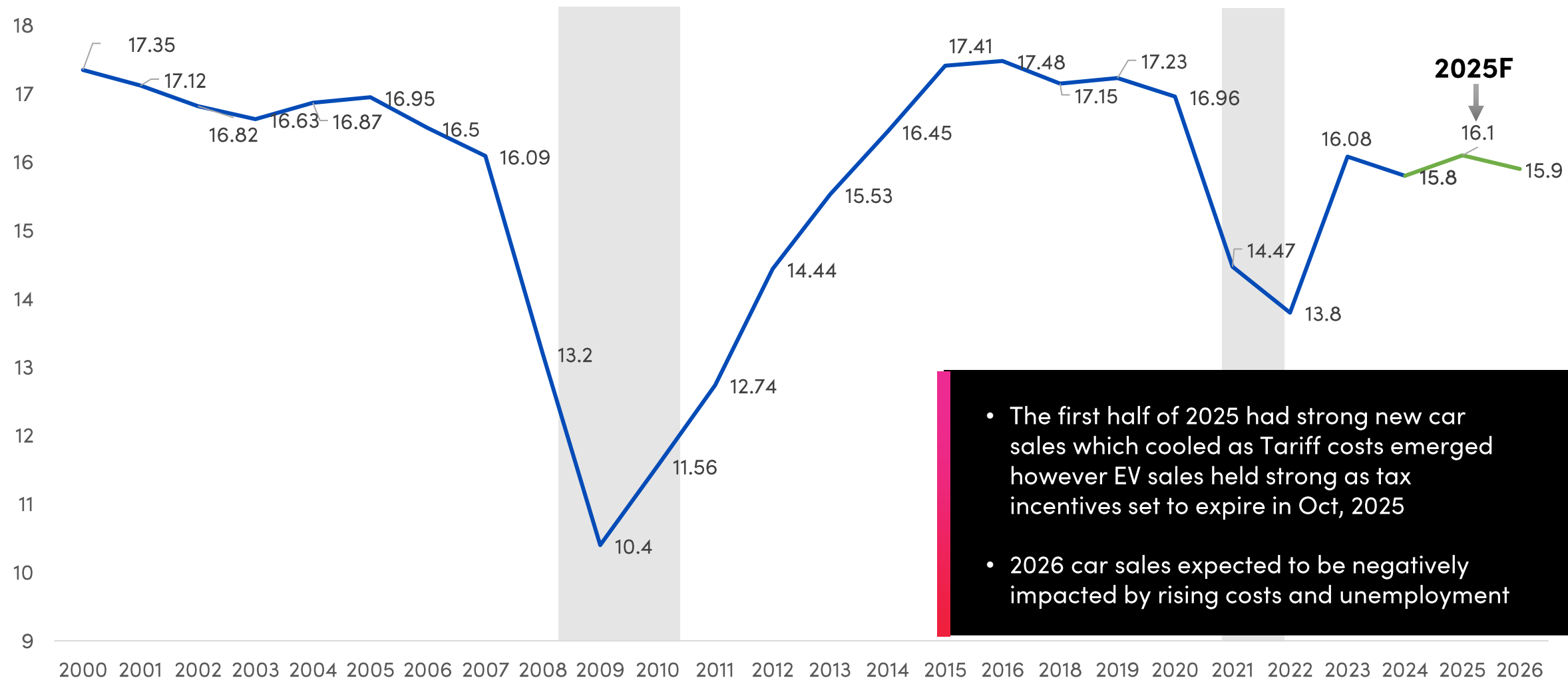
New Car SAAR



Used Car SAAR

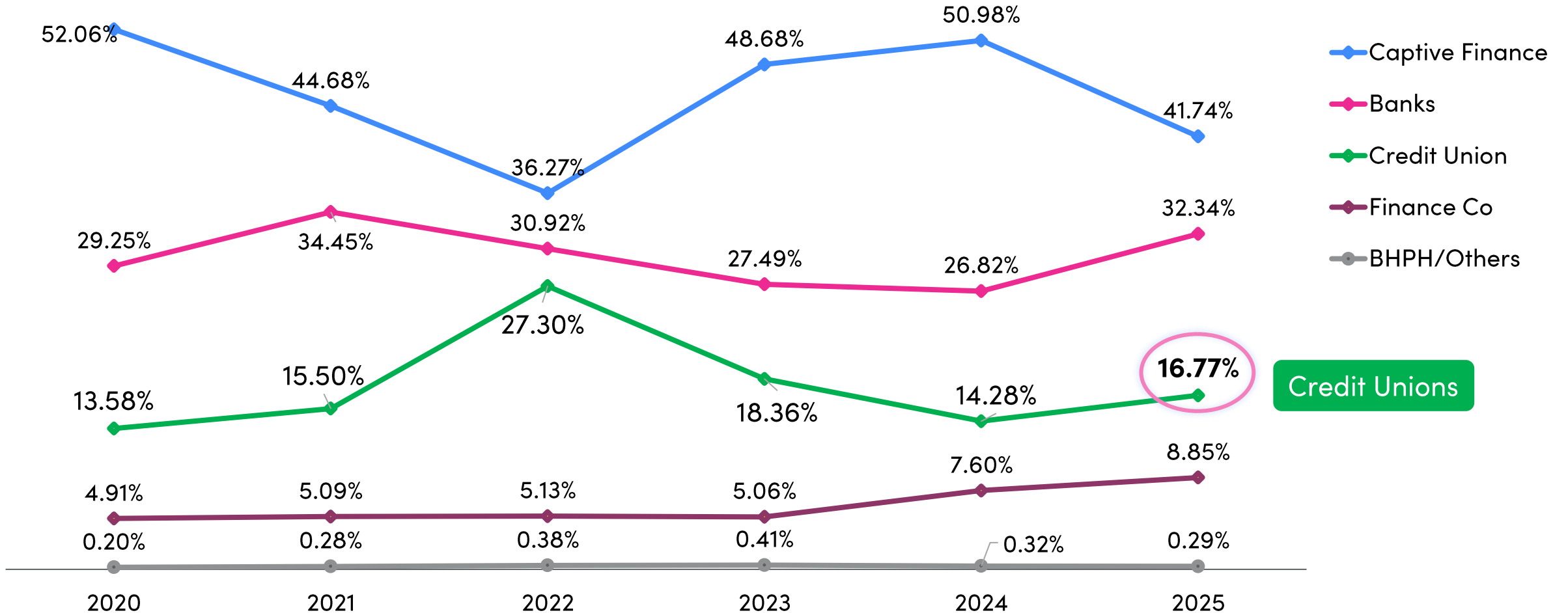


SAAR: light weight vehicle sales: autos and light trucks



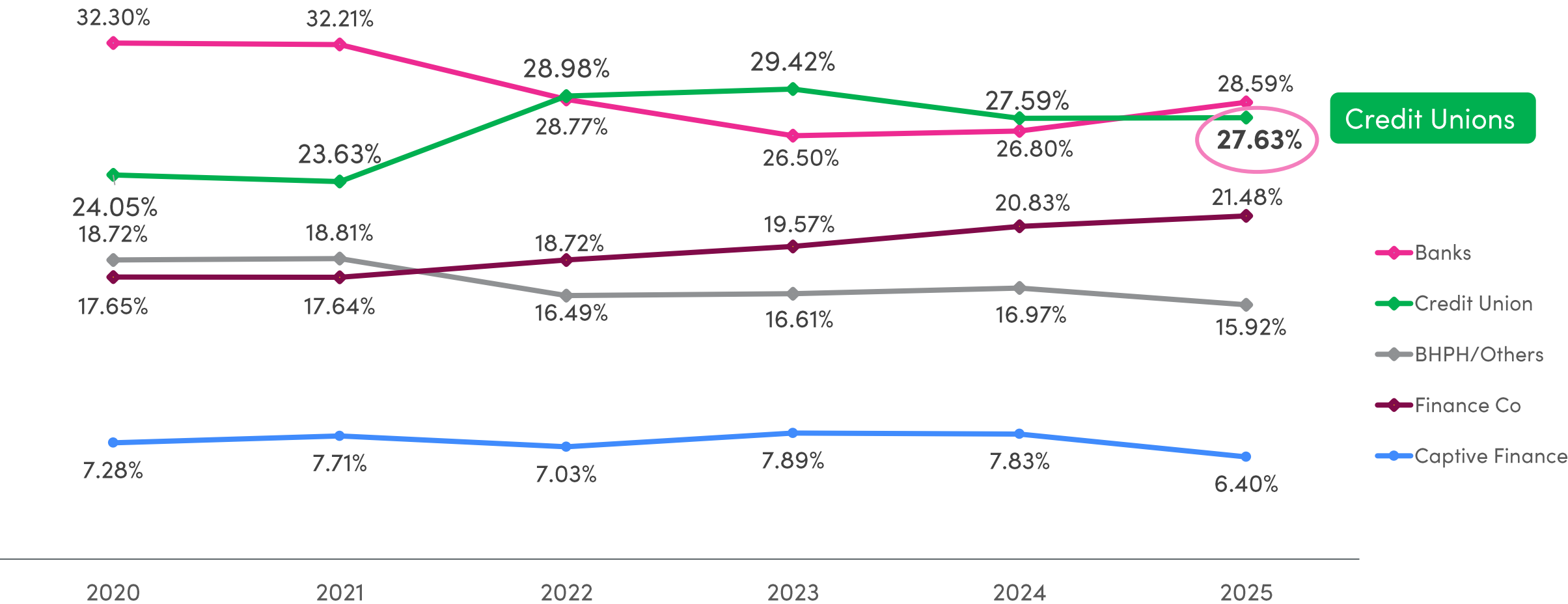
Banks and credit unions pulling new car loan share from captives

Market share of new loans – YTD (Q2 2025)

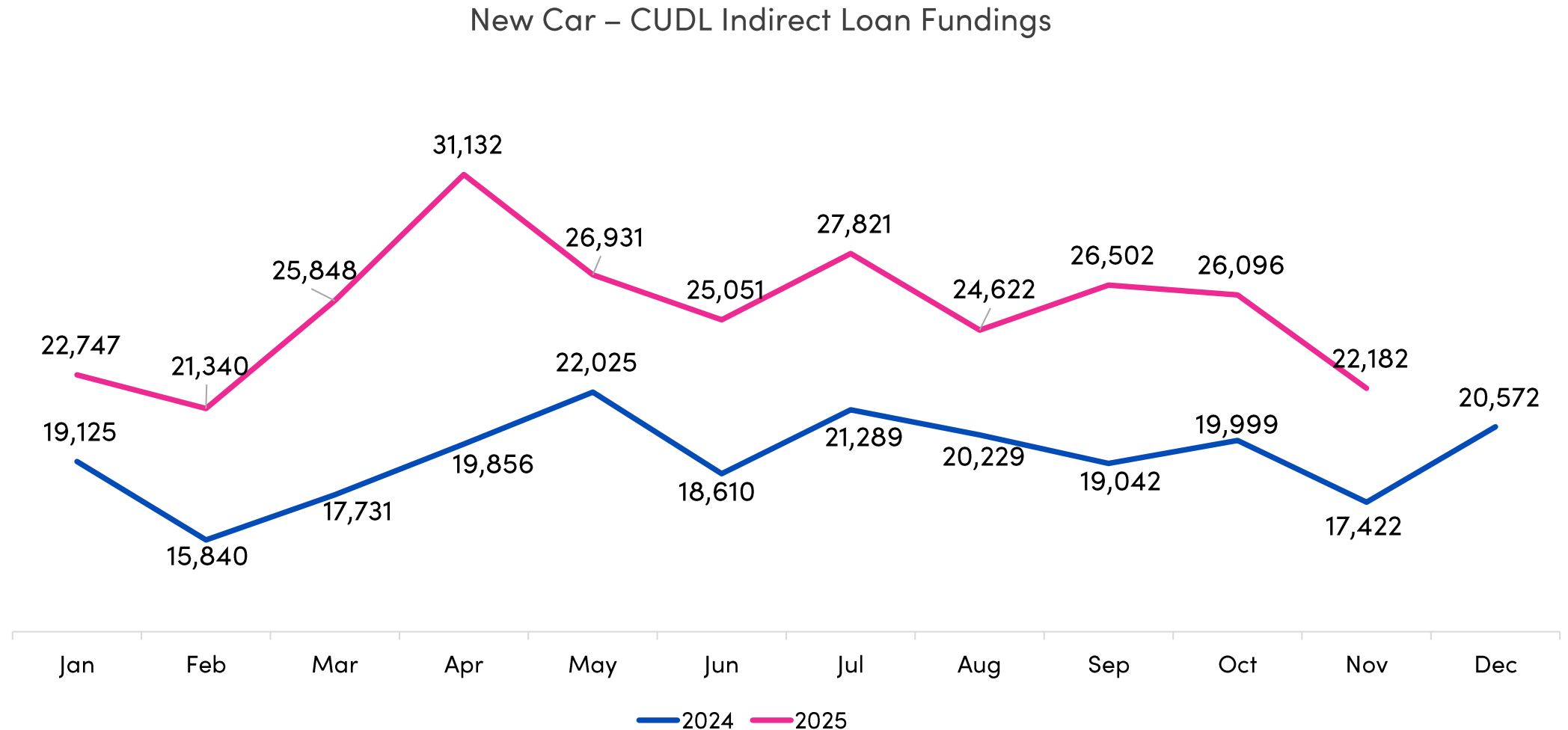


Banks using forward priced interest rates to win used car market share

Used Market Share By Lender Type – (Q2 2025)

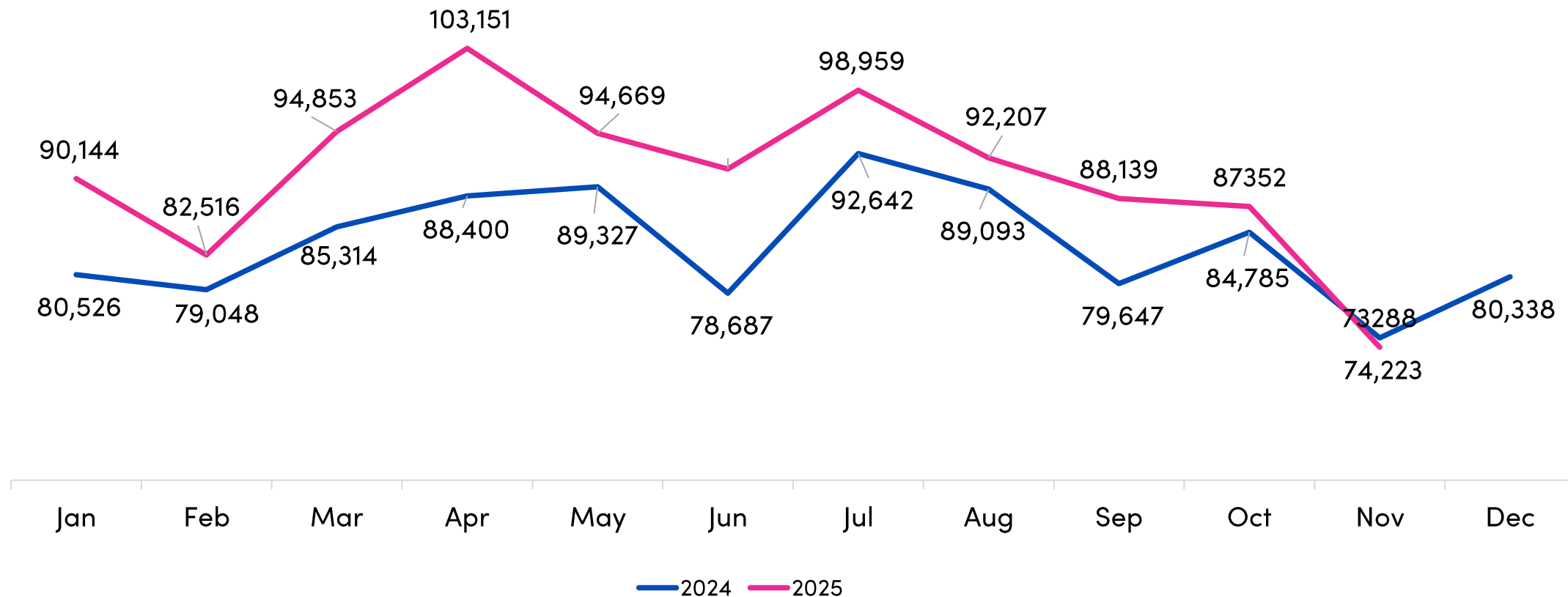


Fundings on CUDL - Up vs 2024



Fundings are Up from 2024

Used Car – CUDL Indirect Loan Fundings



Financing trends

CUDL Platform – Q3 2025

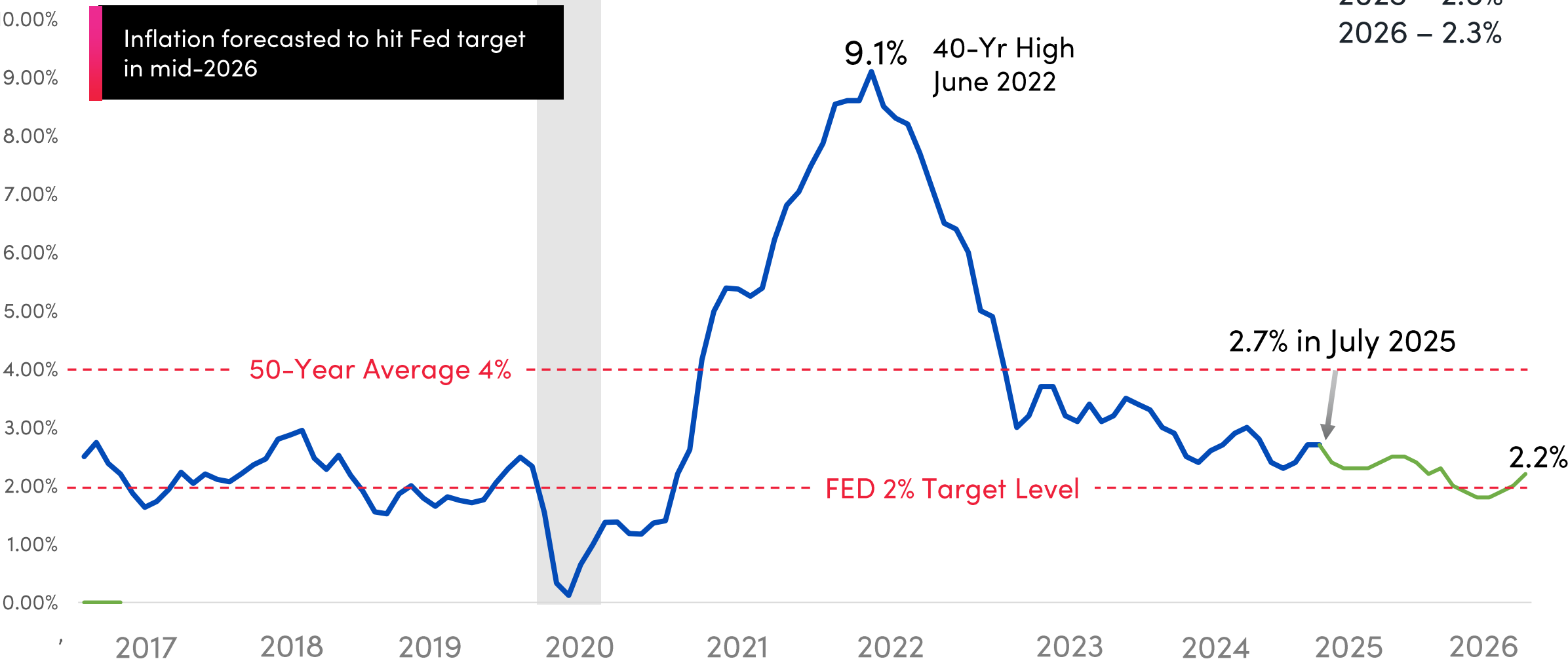
	MA	DE	NH	RI	All CUDL
Term (Months)	66	76	69	67	72
Interest Rate	7.60%	7.21%	7.11%	6.40%	7.56%
Avg Loan Amount	\$23,039	\$35,438	\$29,114	\$27,709	\$33,325
Dealer Flat	1.59%	2.01%	1.85%	1.55%	1.66%
System Approval %	10.32%	22.94%	19.13%	34.58%	19.63%



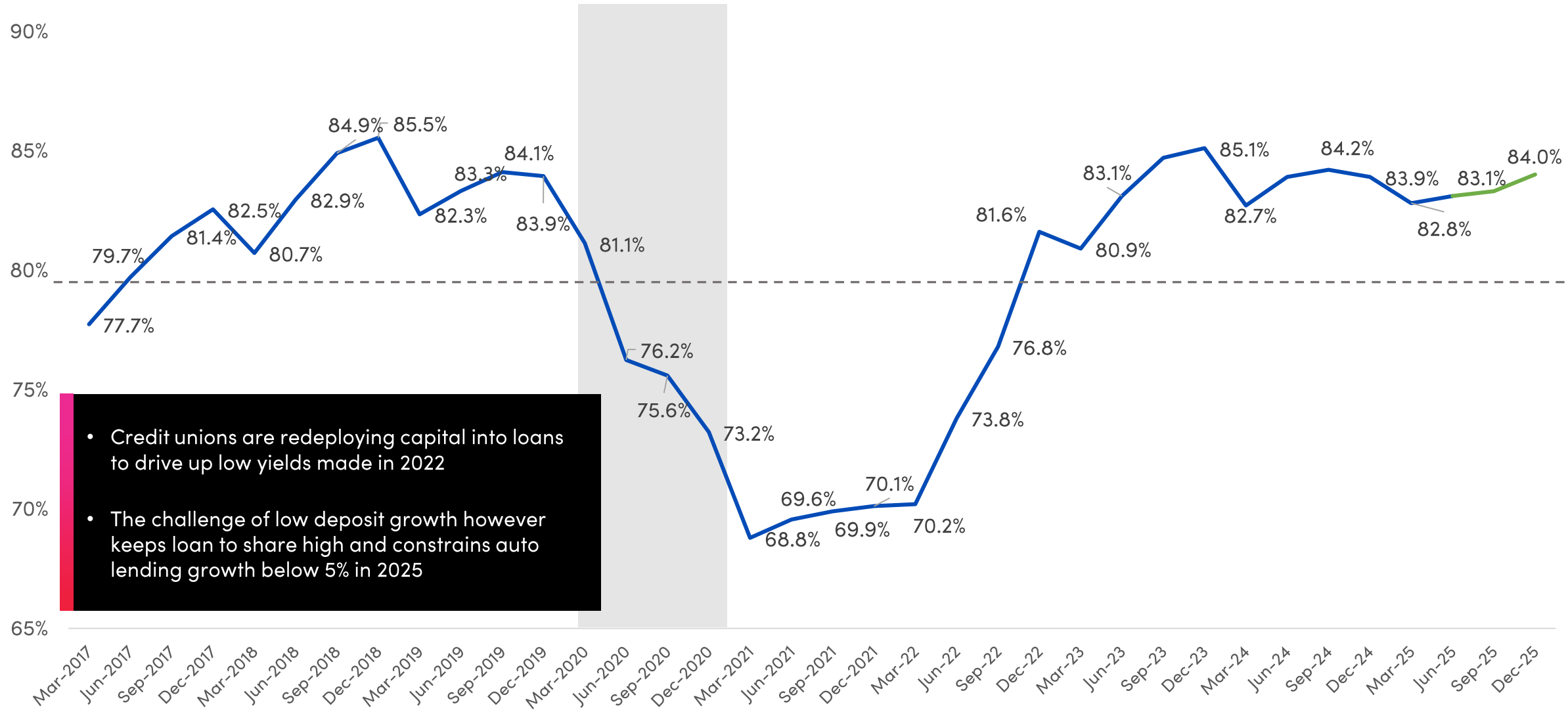
Inflation

CPI Forecast

2024 – 2.9%
2025 – 2.6%
2026 – 2.3%



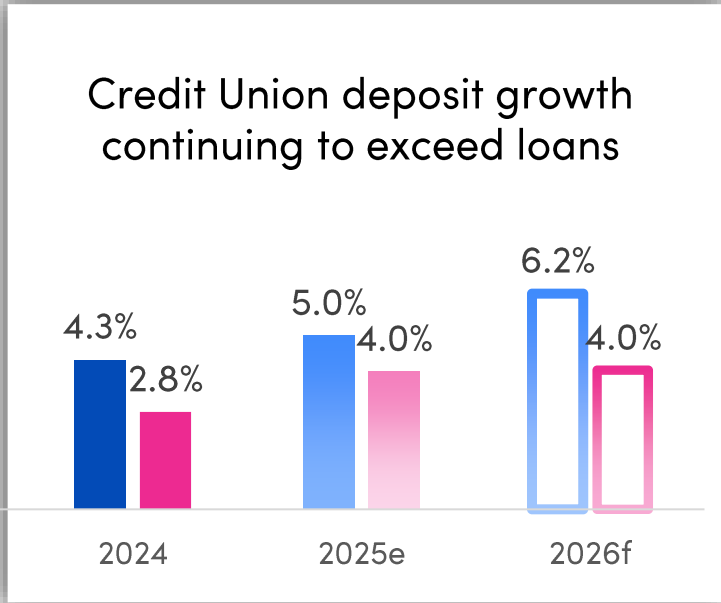
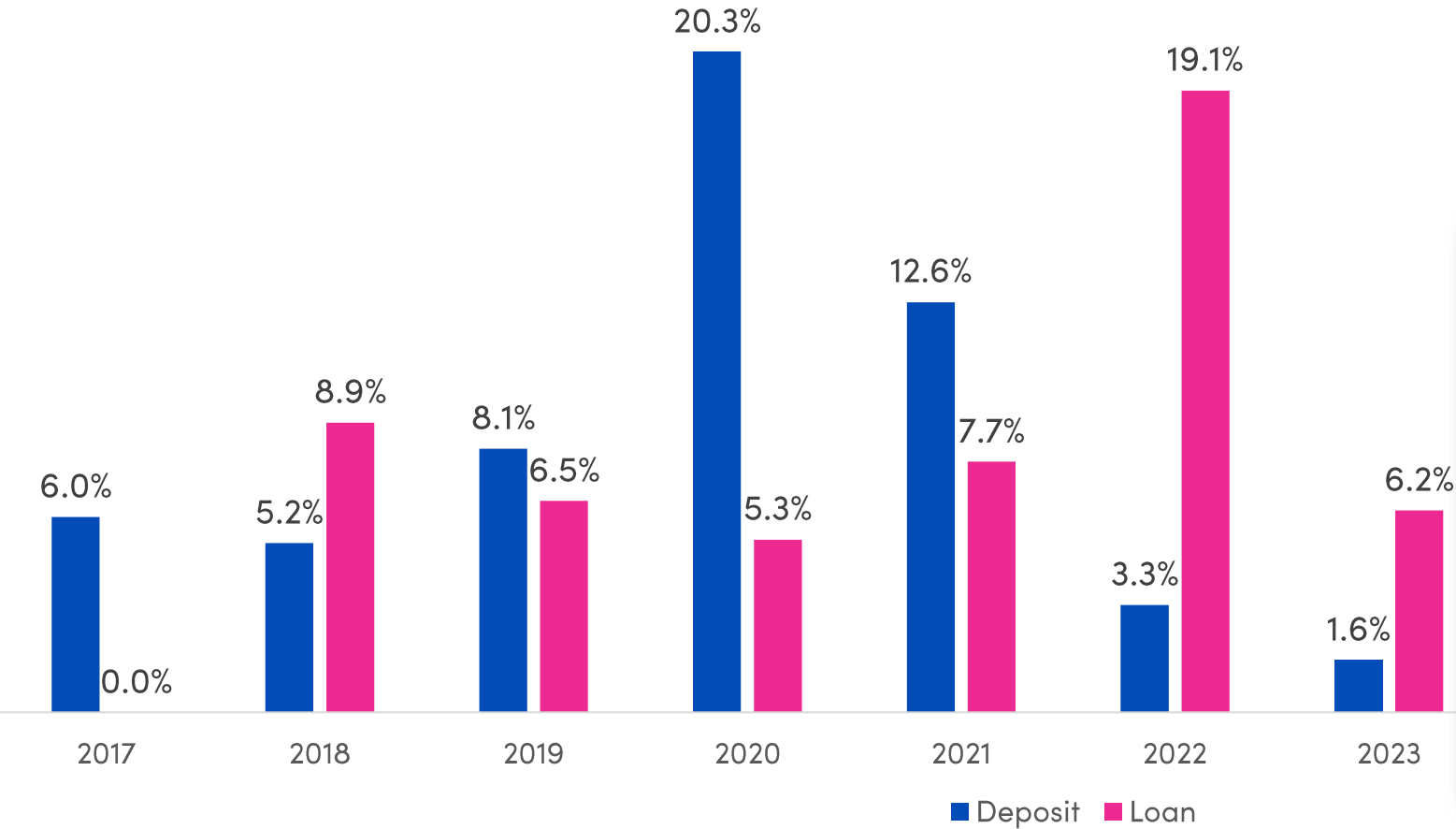
Loan to share ratio



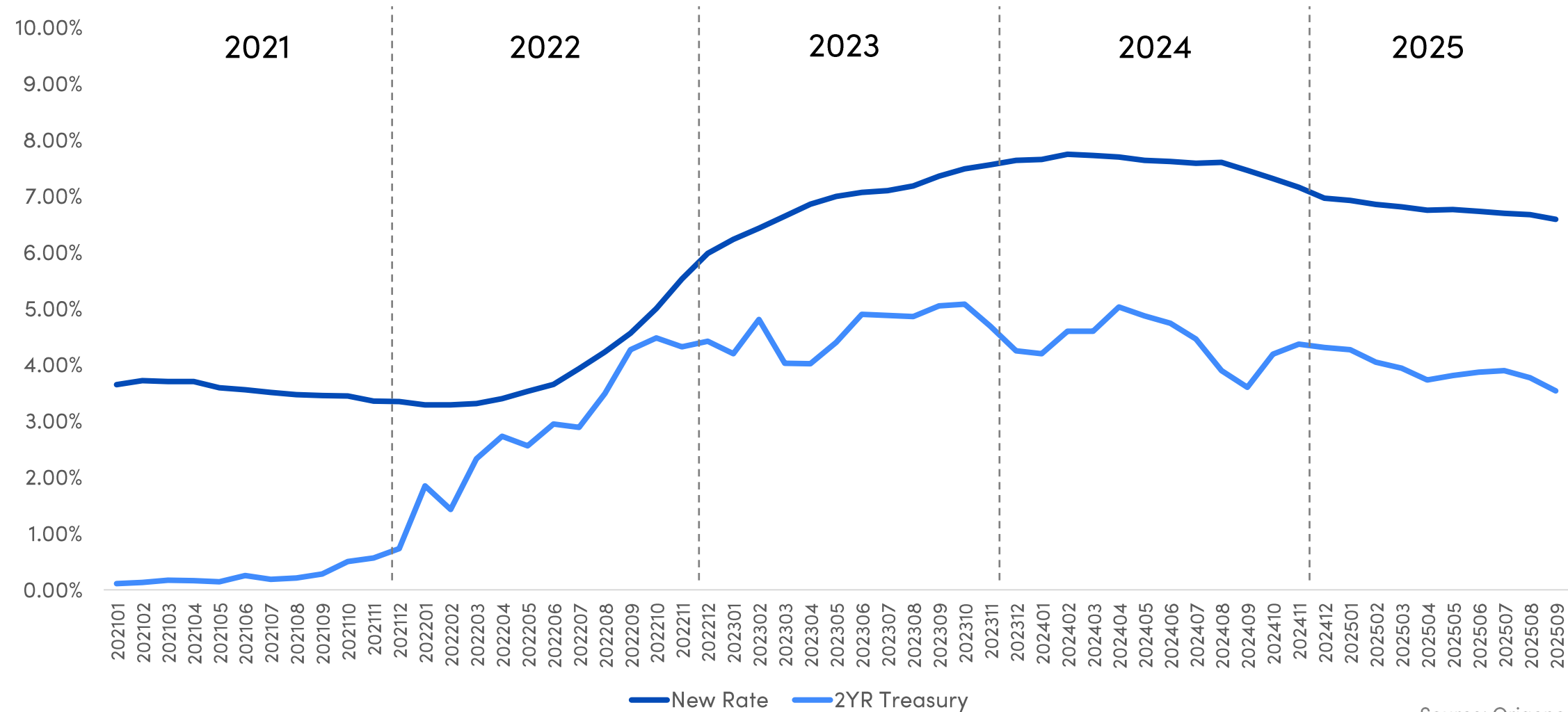
Credit Union – deposit & loan growth rate

10 Year Deposit Average 7.6%

10 Year Loan Average 9.5%



Credit Union spreads are the widest they have been since 2021

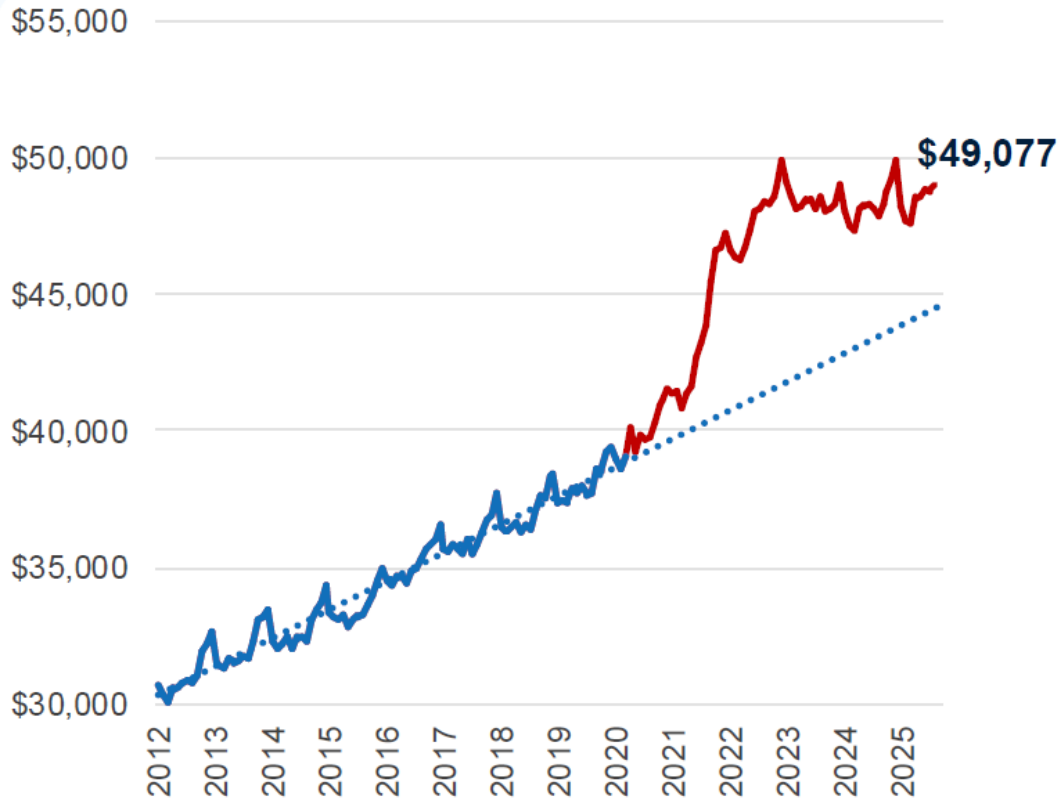


New – vehicle average transaction prices

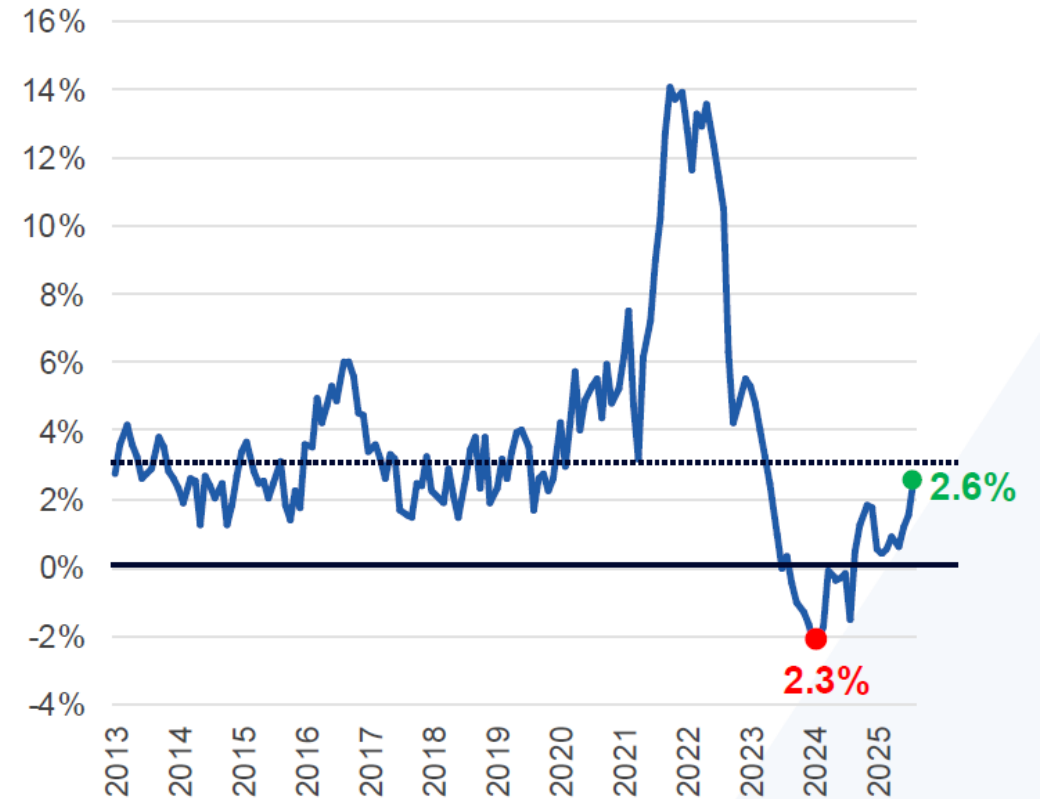
More new model year + incoming tariffs suggests higher inflation ahead



Average Monthly Transaction Price



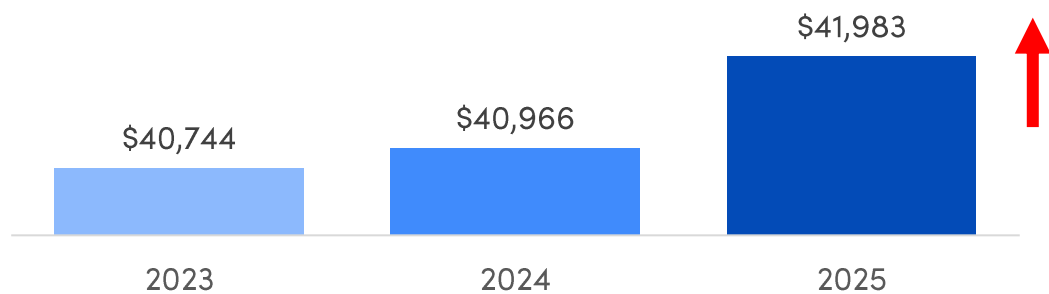
Annual Change



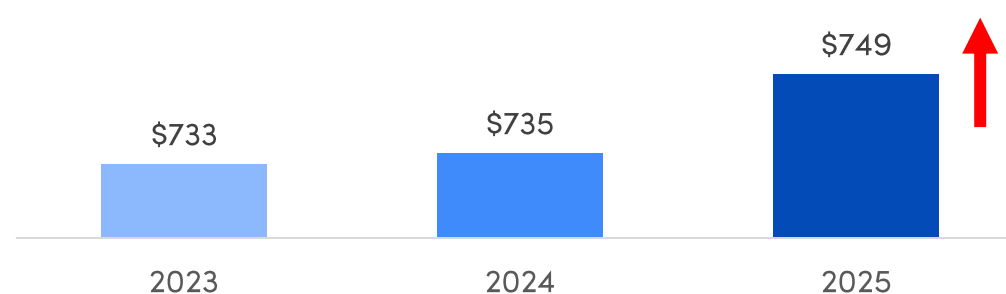
Even with lower interest rates and longer terms the monthly payments are going up due to increased new car prices

Industry Q2 2025

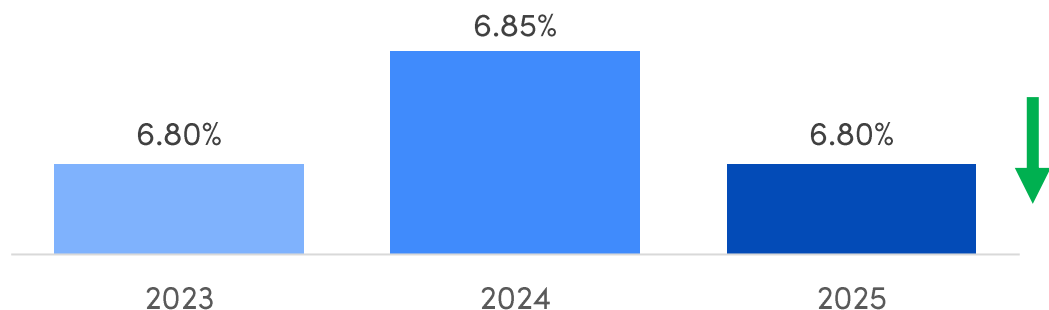
Average new amount financed



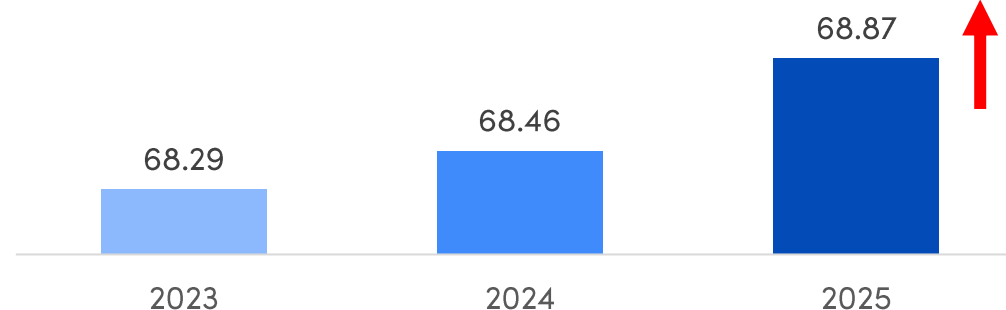
Average new monthly payment



Average new loan rate



Average new loan term

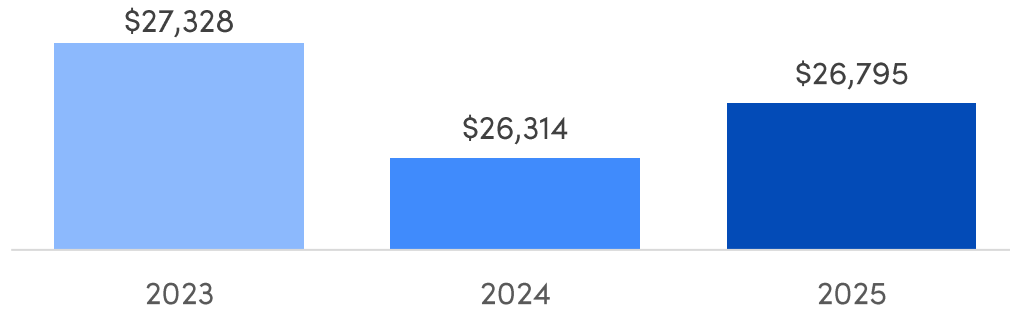


USED CARS

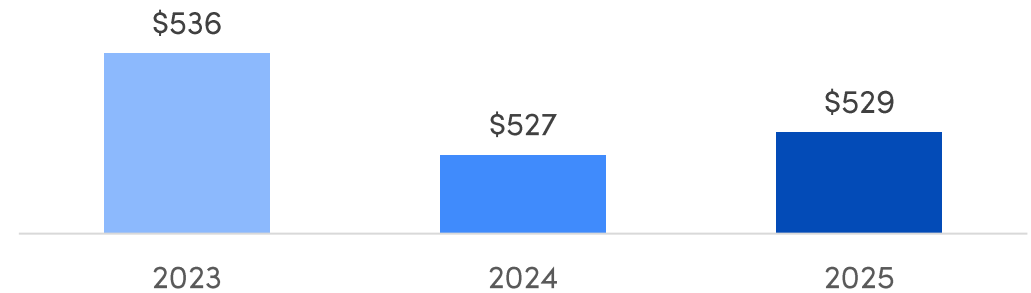
Rates decrease for used loans, however loan amounts and payments increase YOY

Industry Q2 2025

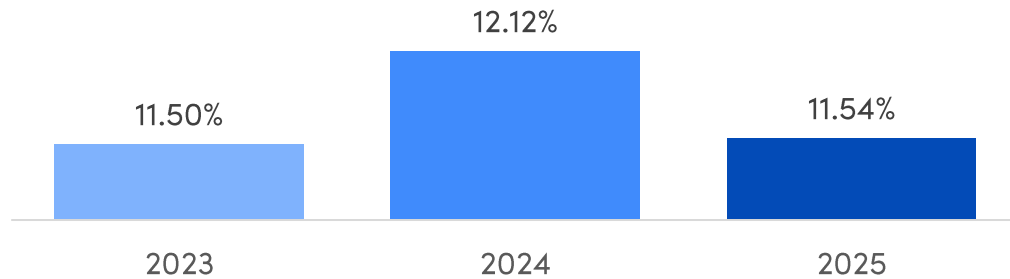
Average used amount financed



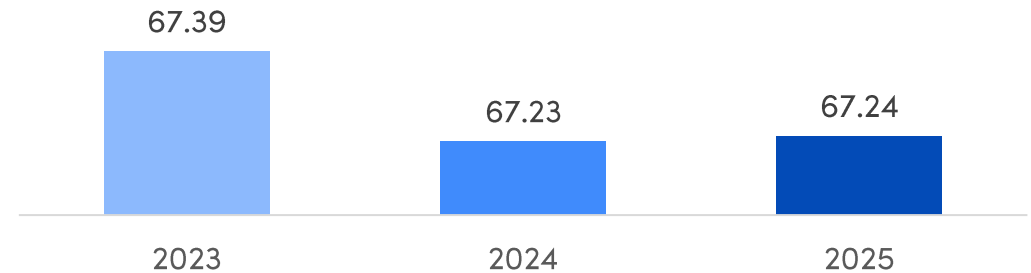
Average used monthly payment



Average used loan rate



Average used loan term



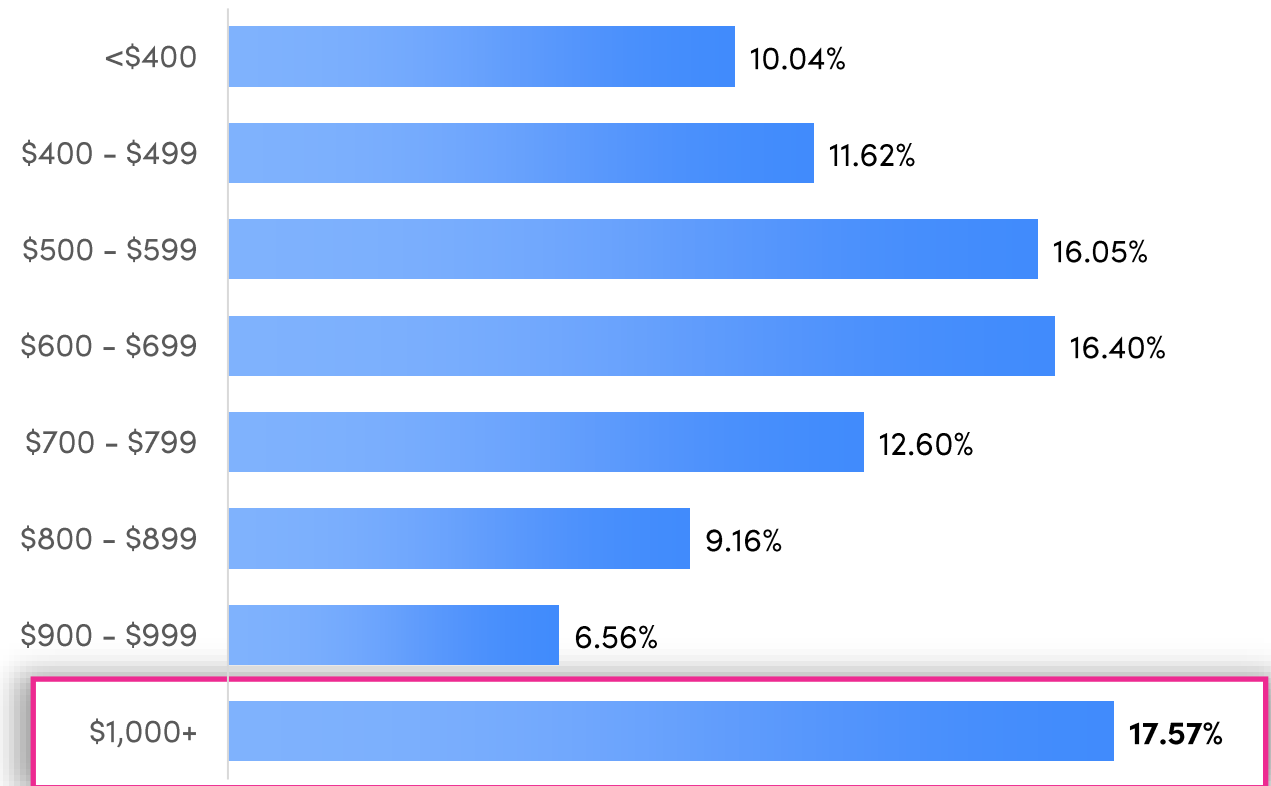


NEW CARS

The largest segment of new car loans have payments over \$1,000 a month

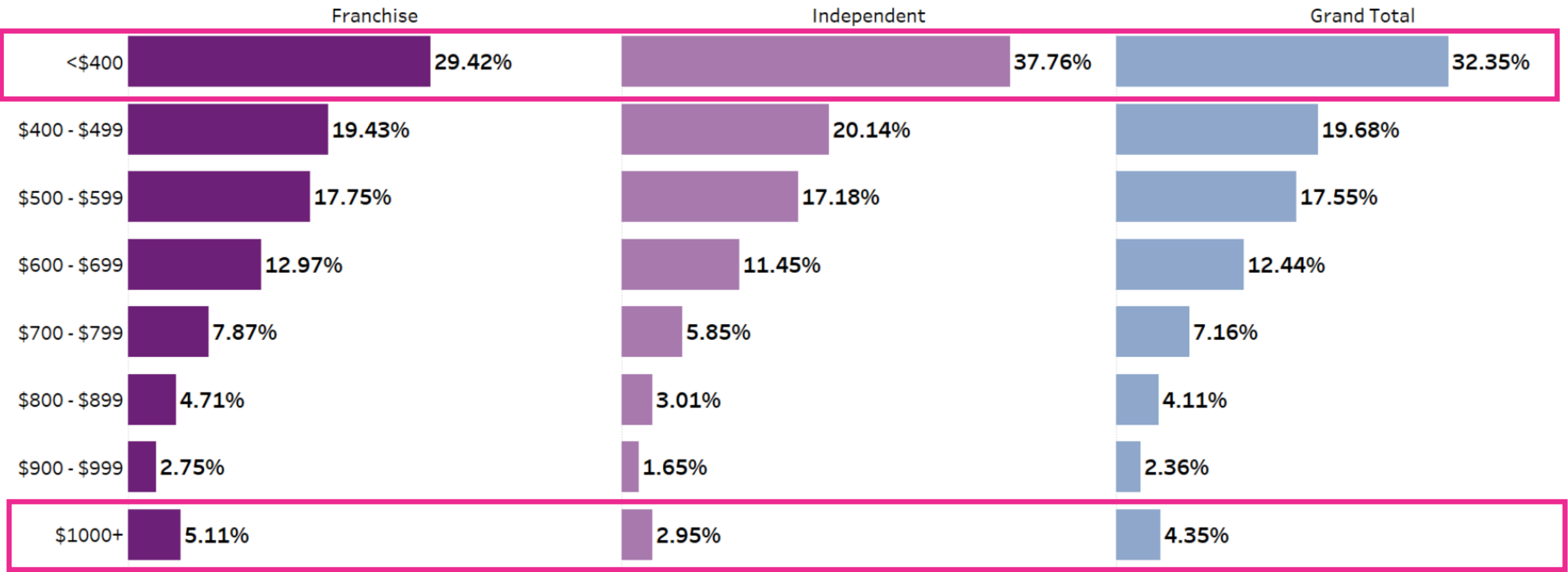
Industry Q2 2025

Average monthly payment

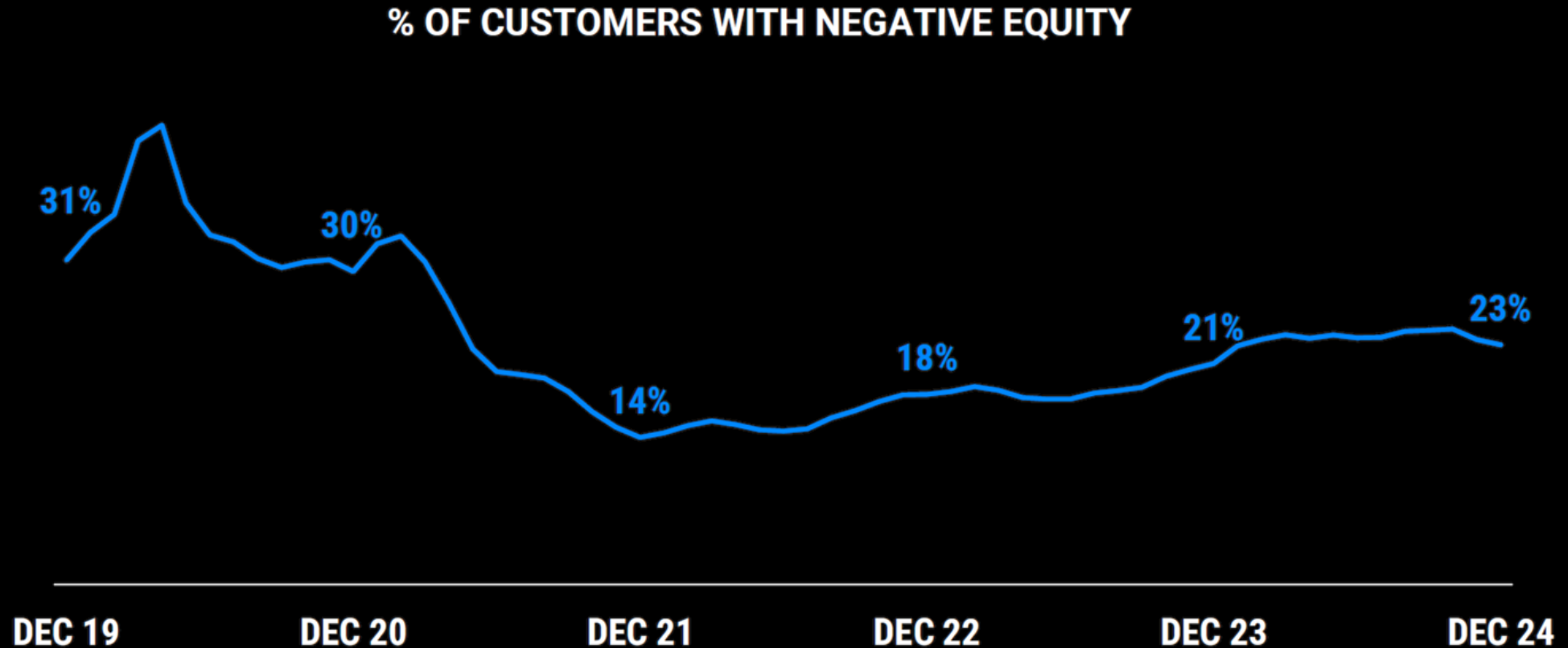


Across all used loans 32% are under \$400; over 4% are over \$1,000 a month

Used loan monthly payment distribution



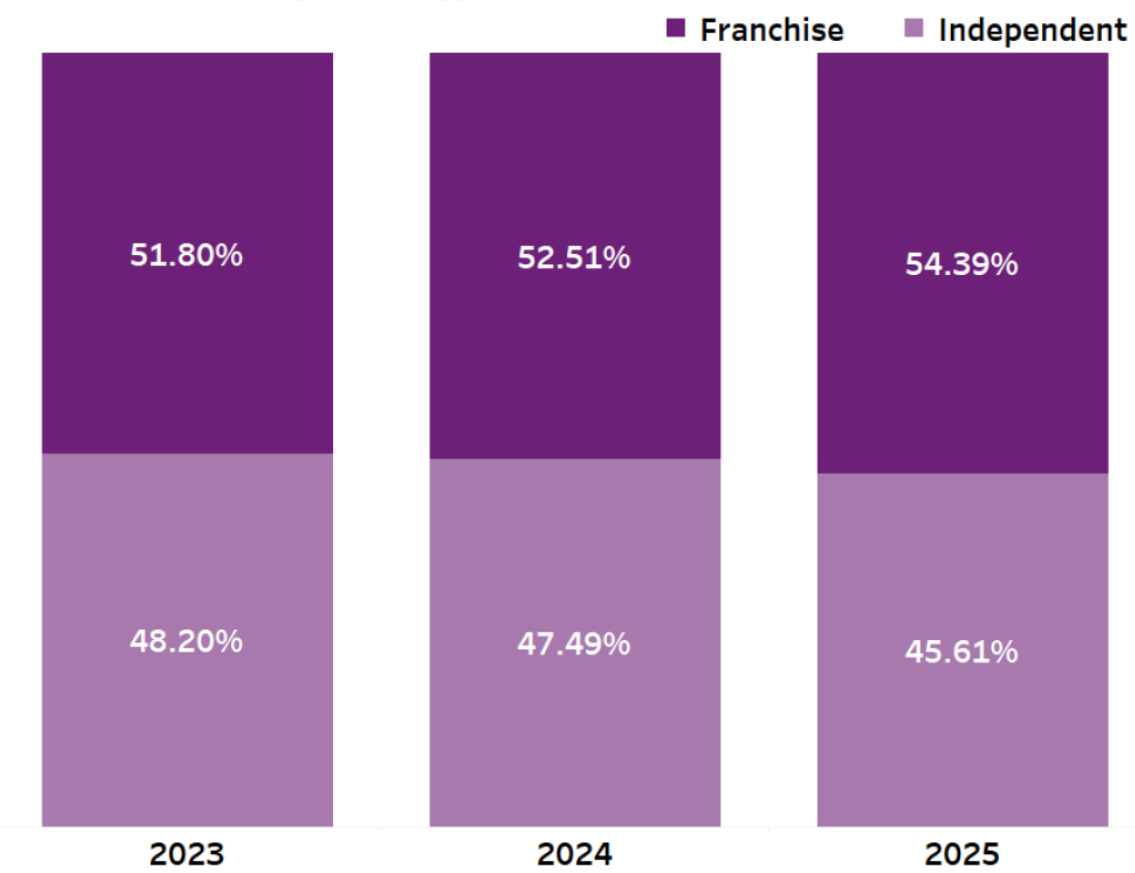
Rising negative equity = smaller down payments



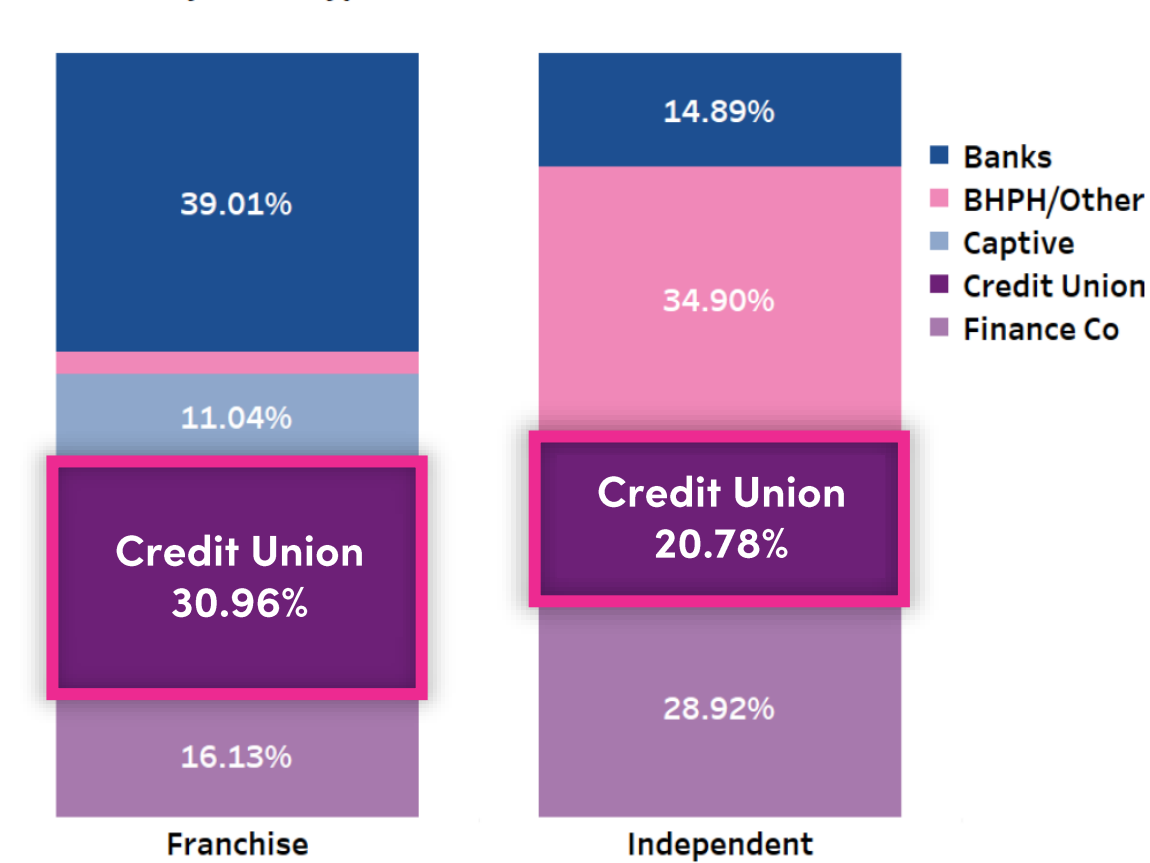
USED CAR FINANCING TRENDS

Franchise dealers playing a larger role in used car sales, however credit unions lagging in these loans

Used transactions by Dealer type



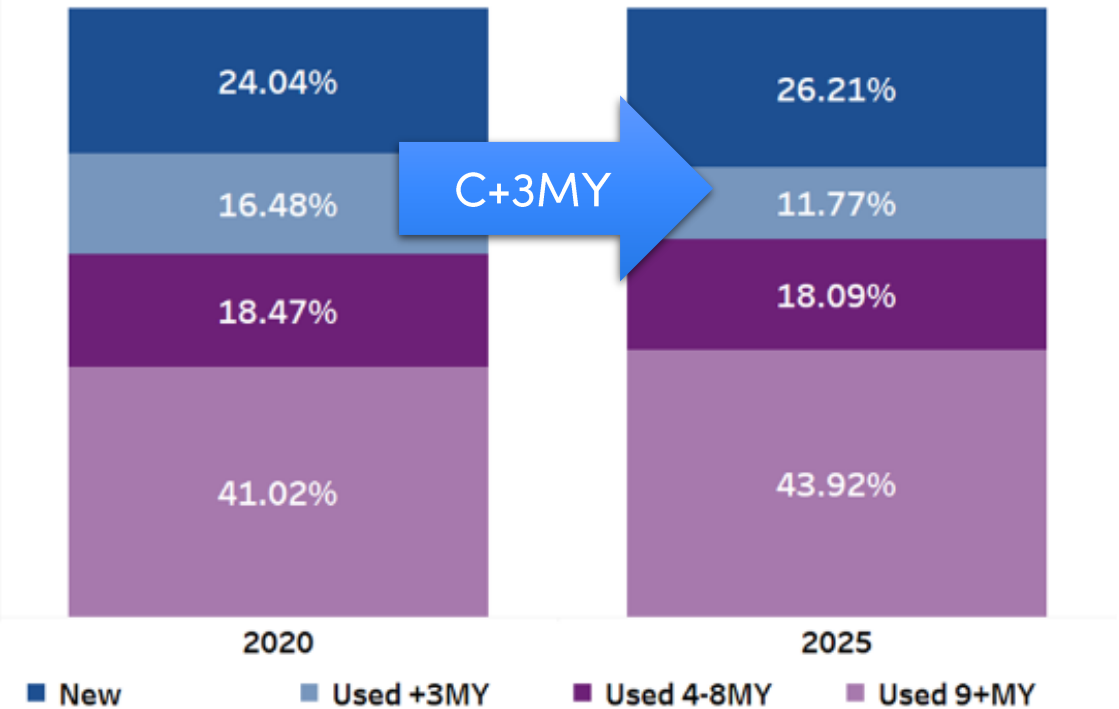
Used loans by lender type and Dealer



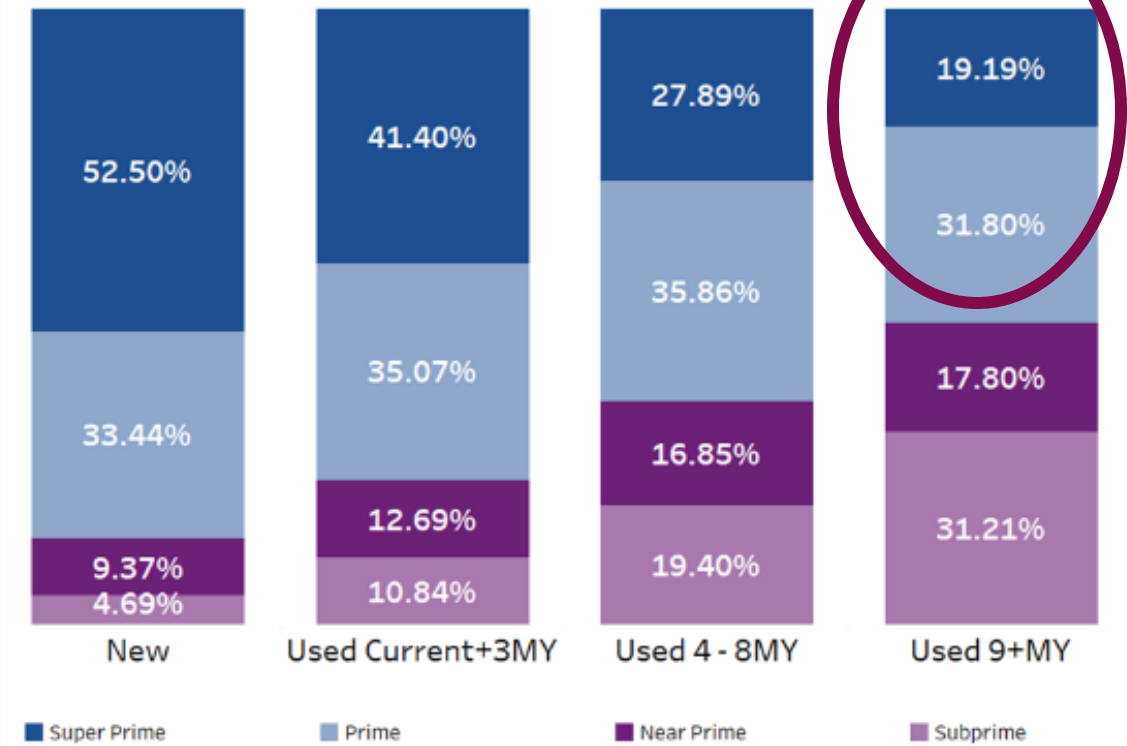
More consumers have been pushed into older vehicles and late-model is tight; nearly 18% of CU is 9+ vs 7% for banks



Retail sales by vehicle age group (2020 v 2025)



Vehicle age groups by score tier Q1 2025

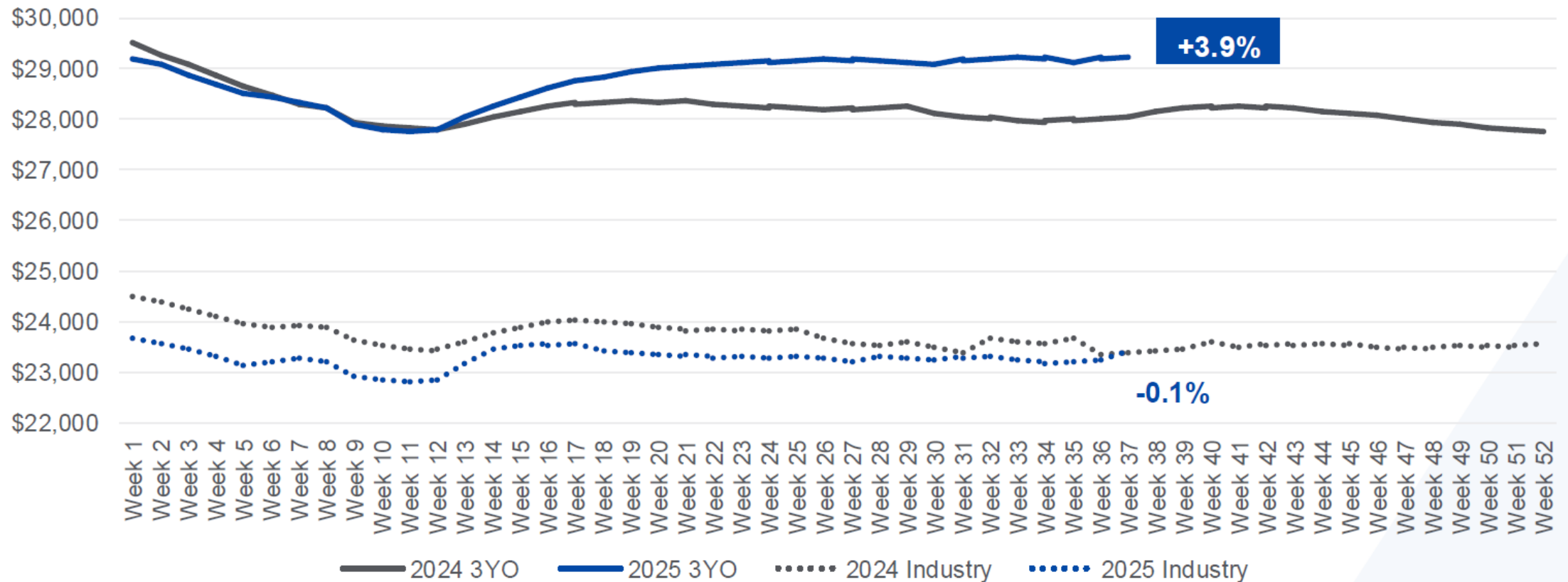


Over 50% are Prime+ consumers

New – vehicle prices

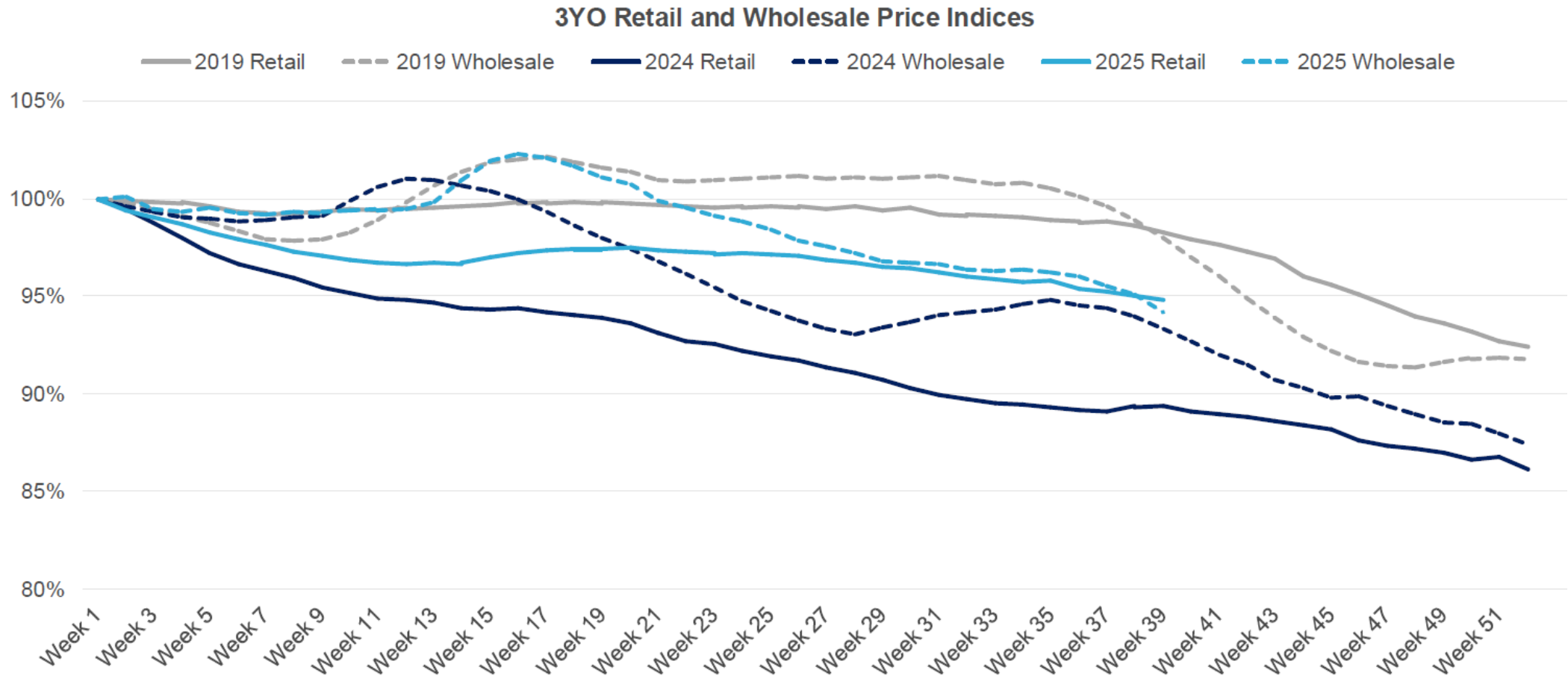
Overall retail pricing mostly flat, but 3YO models trending higher

Used Pricing Trends
Top 50 Models and Overall



Used prices have inverted as wholesale weakens

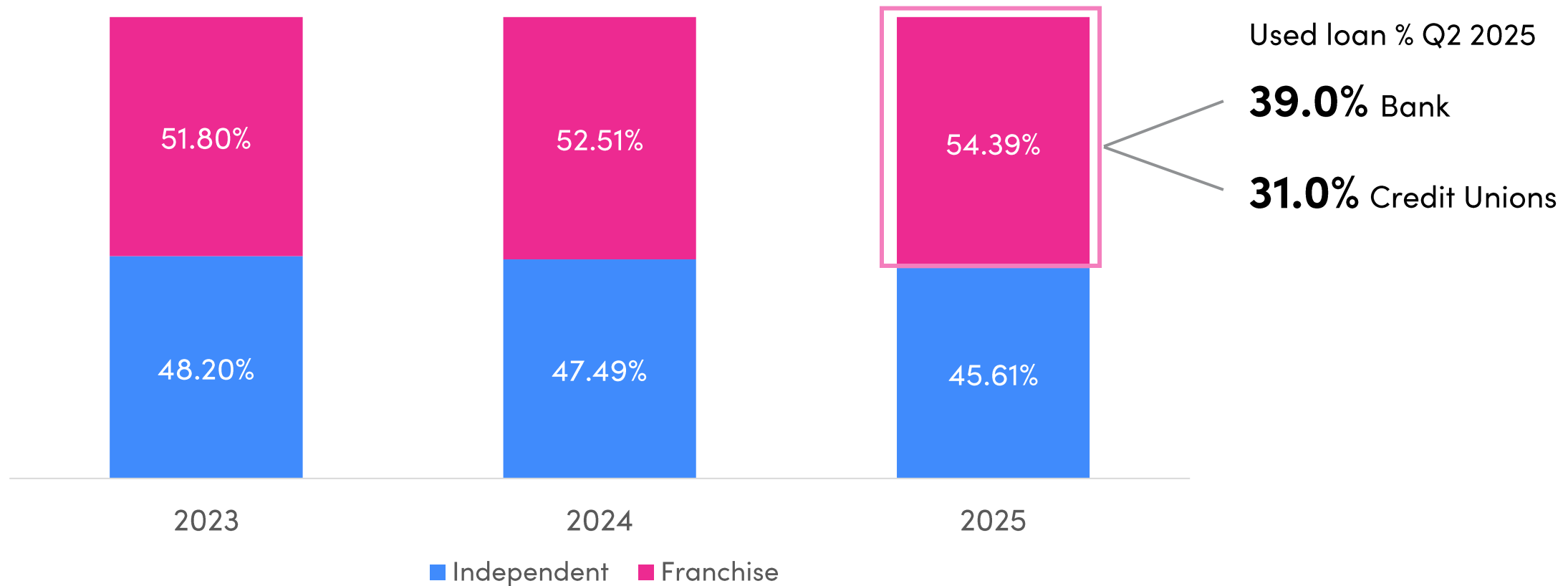
The average MY 2022 price for retail was steady last week while wholesale prices fell 0.7%



USED CARS

As new car affordability and inventory declines franchise dealers aggressively pursuing used car sales

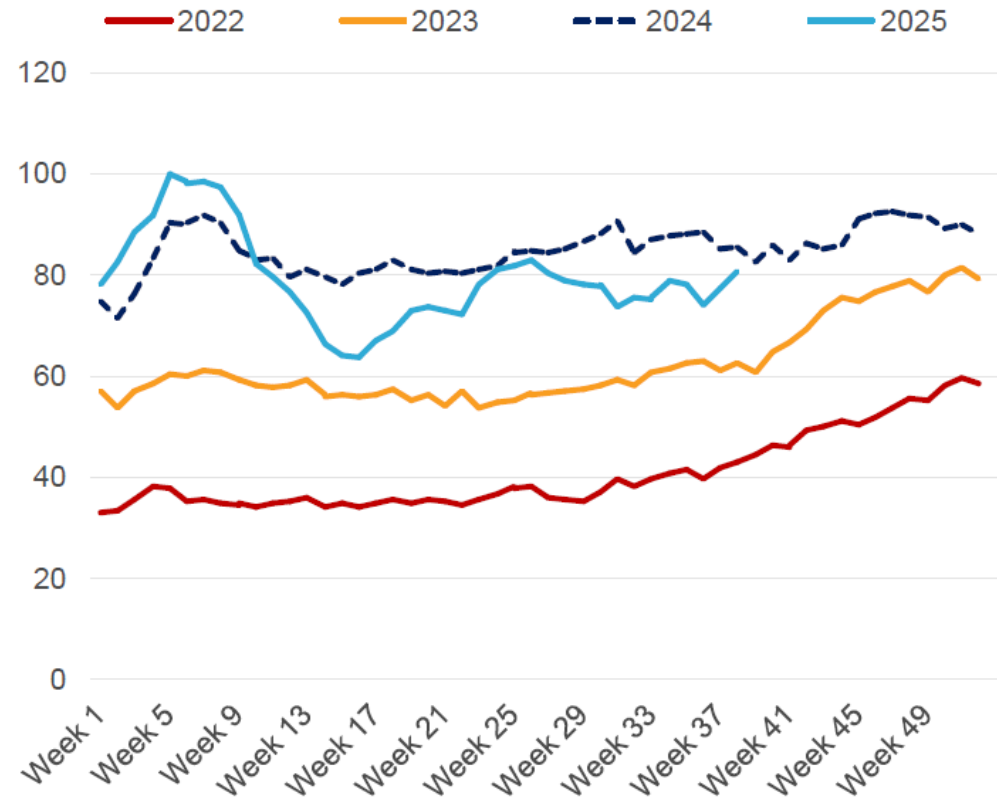
Used transactions by dealer type



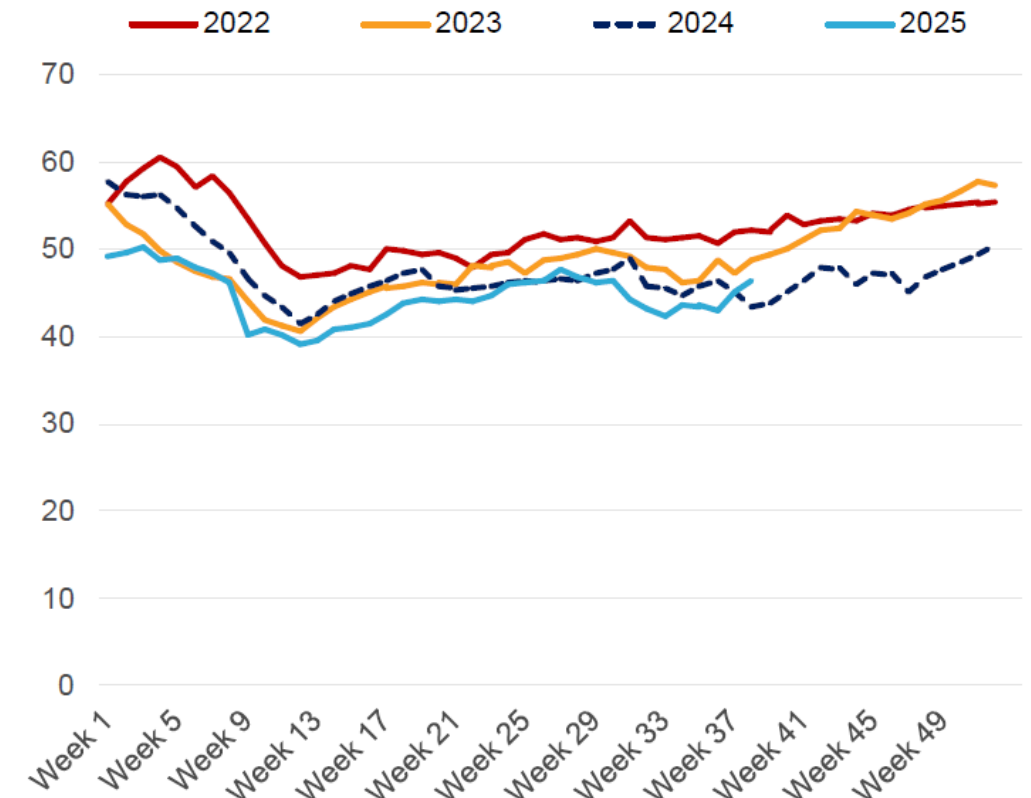
New and used supply has risen in recent weeks

New supply remains below last year's levels while used is now running above last year

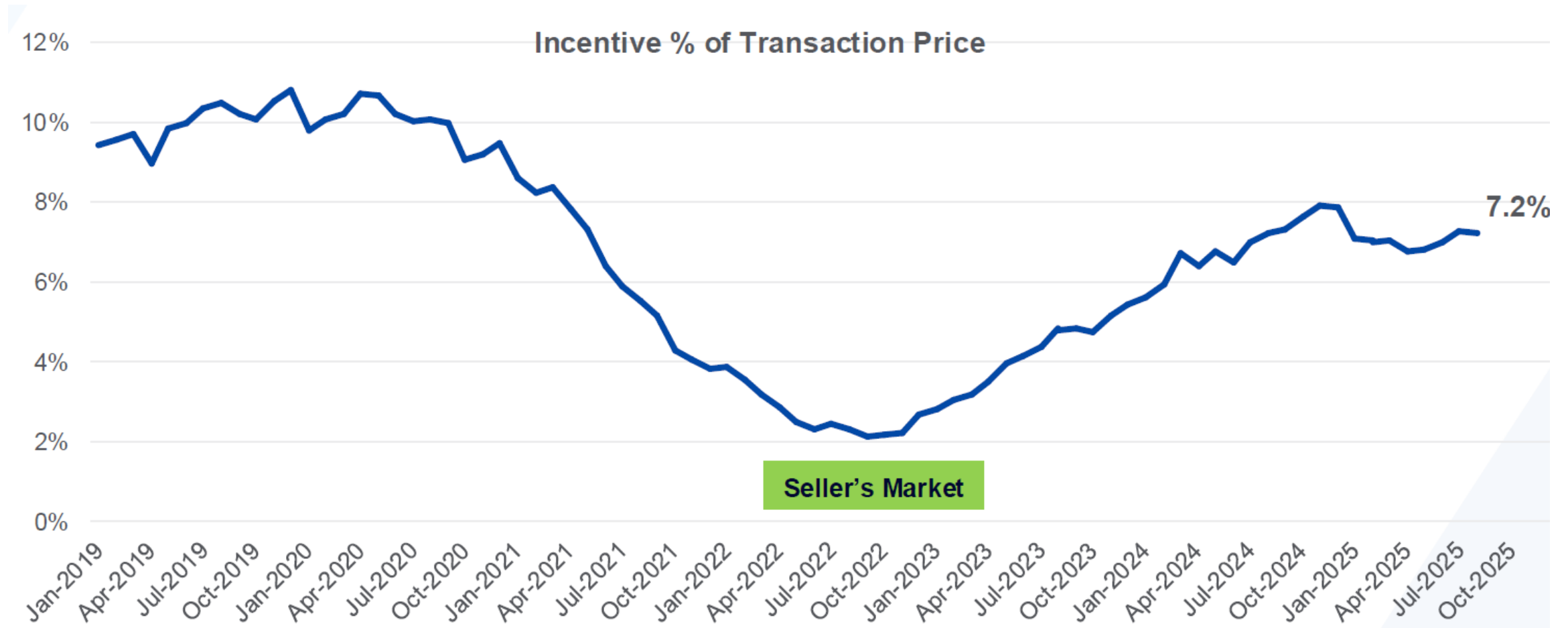
New Days' Supply



Used Days' Supply

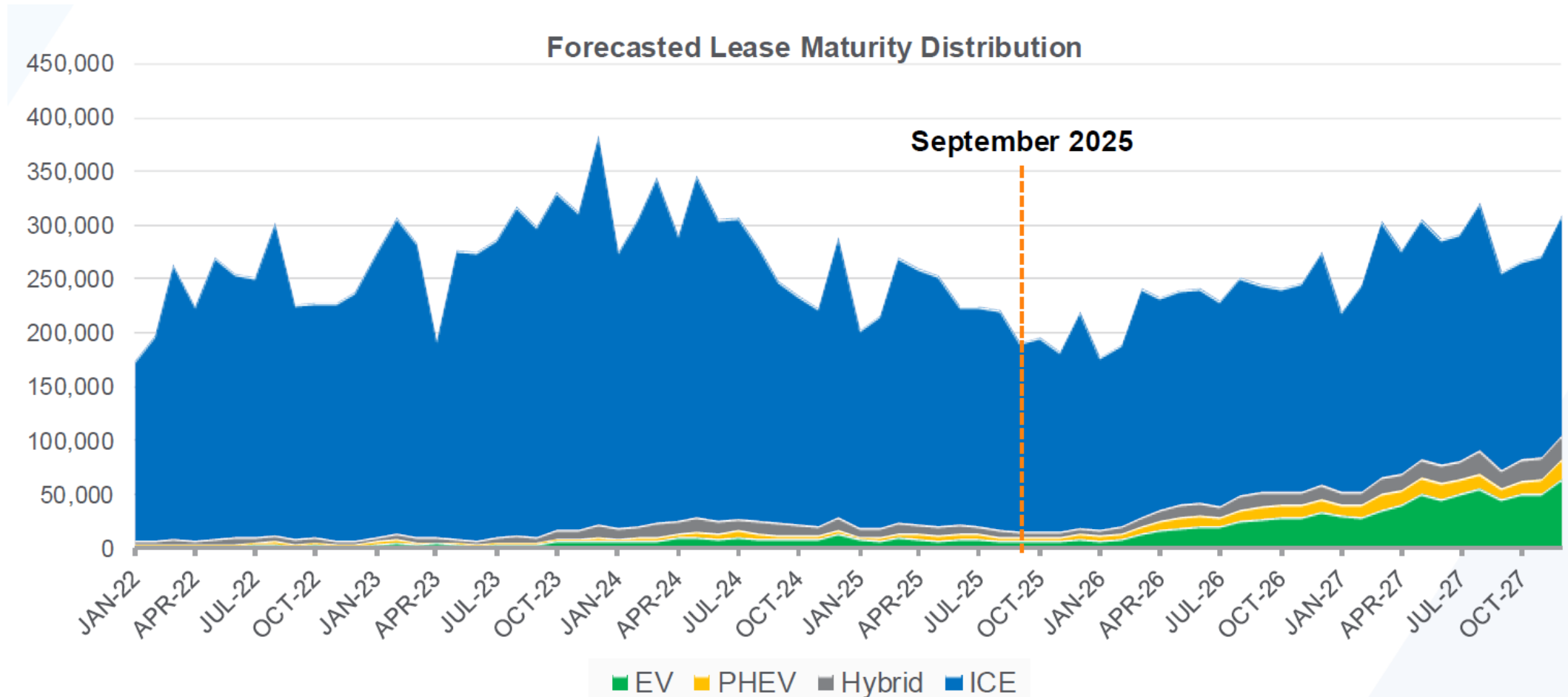


Stabilizing at tighter levels post-COVID; no disruption from tariffs, yet



Lease maturity outlook

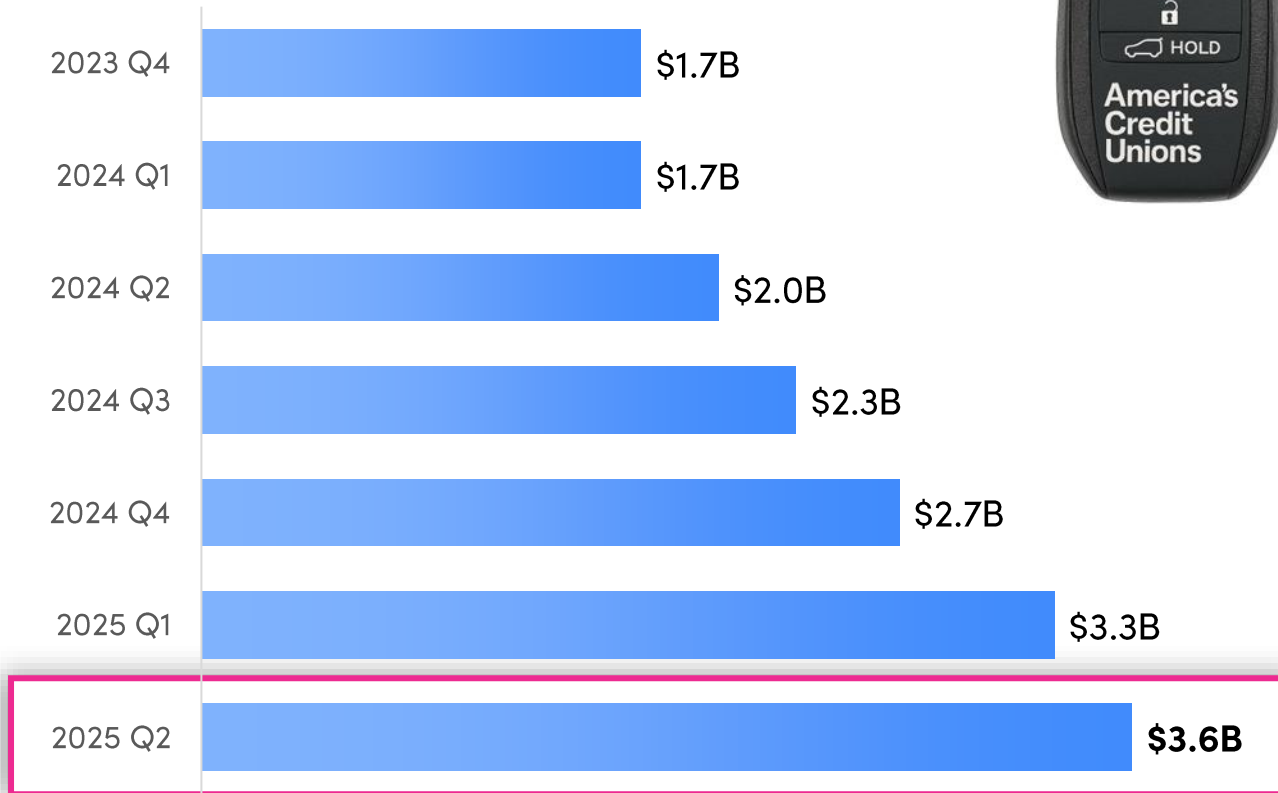
Lease return volume trends upward starting in 2026, heavy mix of EV coming



REFINANCE

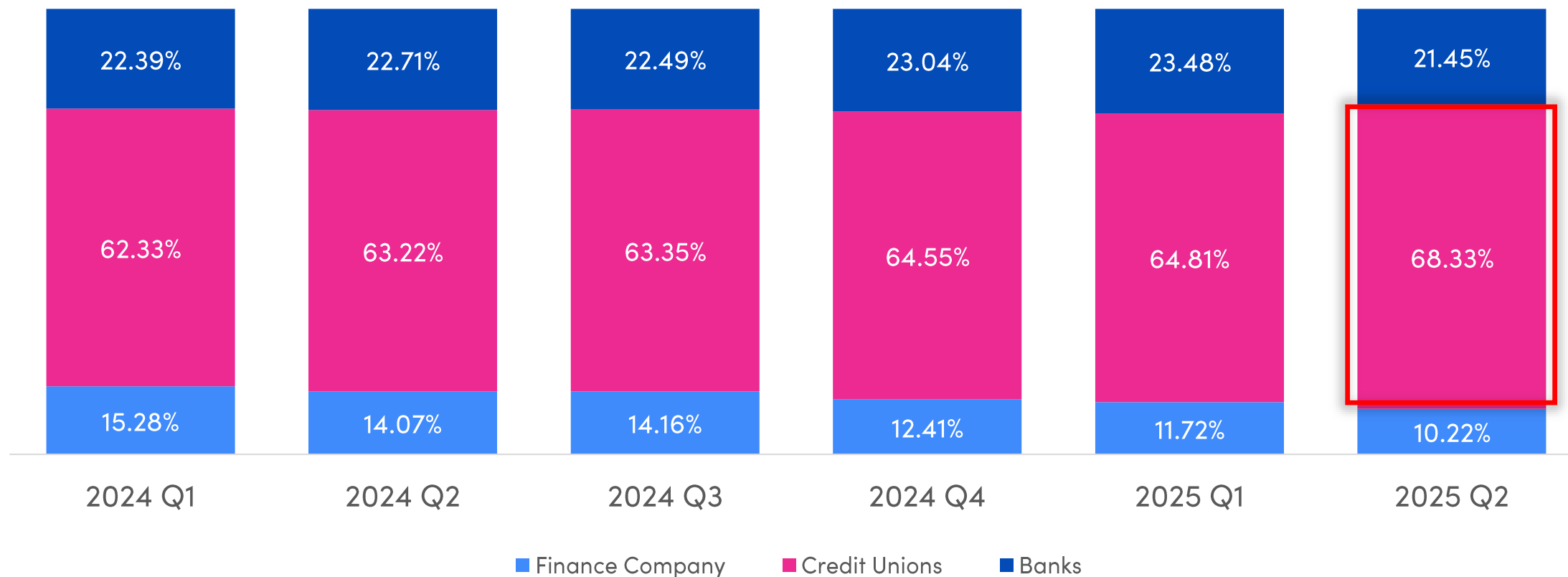
The auto refinance market is back and expected to grow

Quarterly auto refinance volume



Credit unions have steadily increased their share of the refinance space

Refi lender type





Tariffs

Likely auto tariff impact by year end

Average new vehicle
price increase

+5%
(+\$2,100)

Range:
+3% to +7%
\$1,200 to \$3,000 unit

Annualized retail sales pace
(SAAR)

-7%
(-1.0M)

Range:
-4% to -11%
-0.6M to -1.5m sales

- From tariffs currently announced
- Excludes any general economy effects

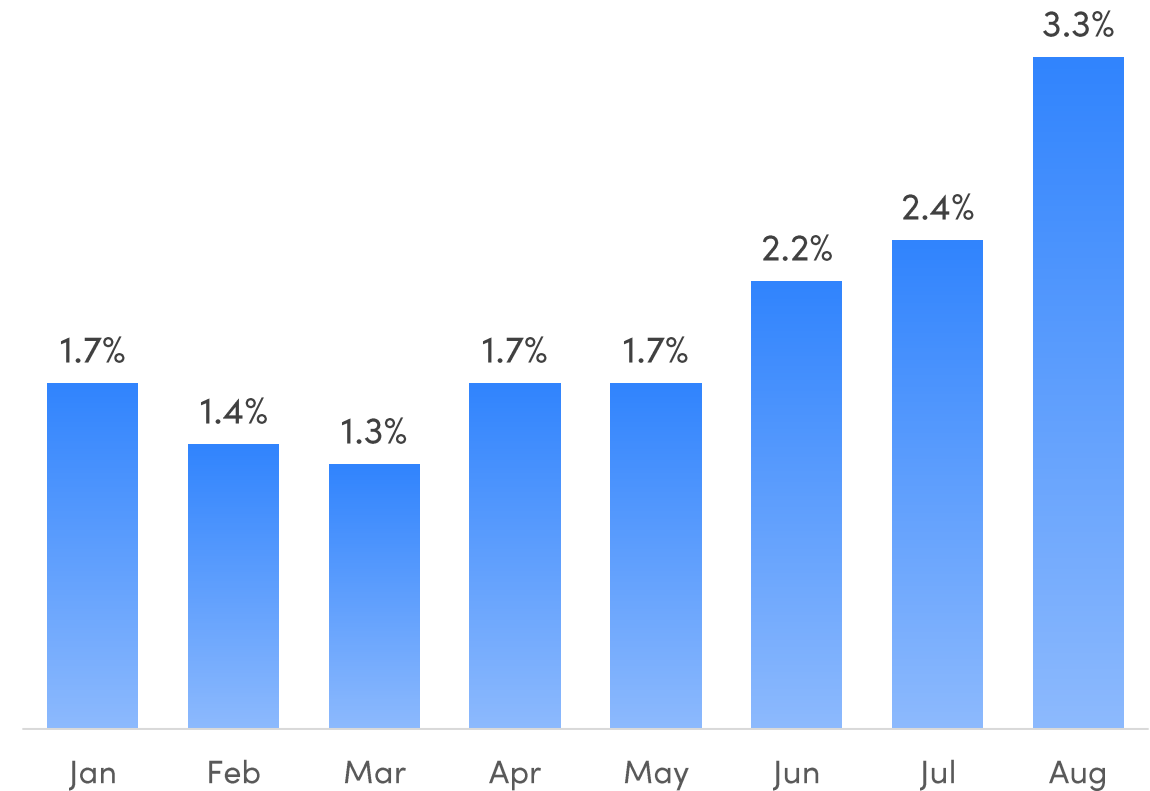
Shifting strategies, managing costs

Prices Go Up: Safety features, ADAs, infotainment, base models more feature-rich. SUVs replacing sedan; focus on luxury and high-margin products

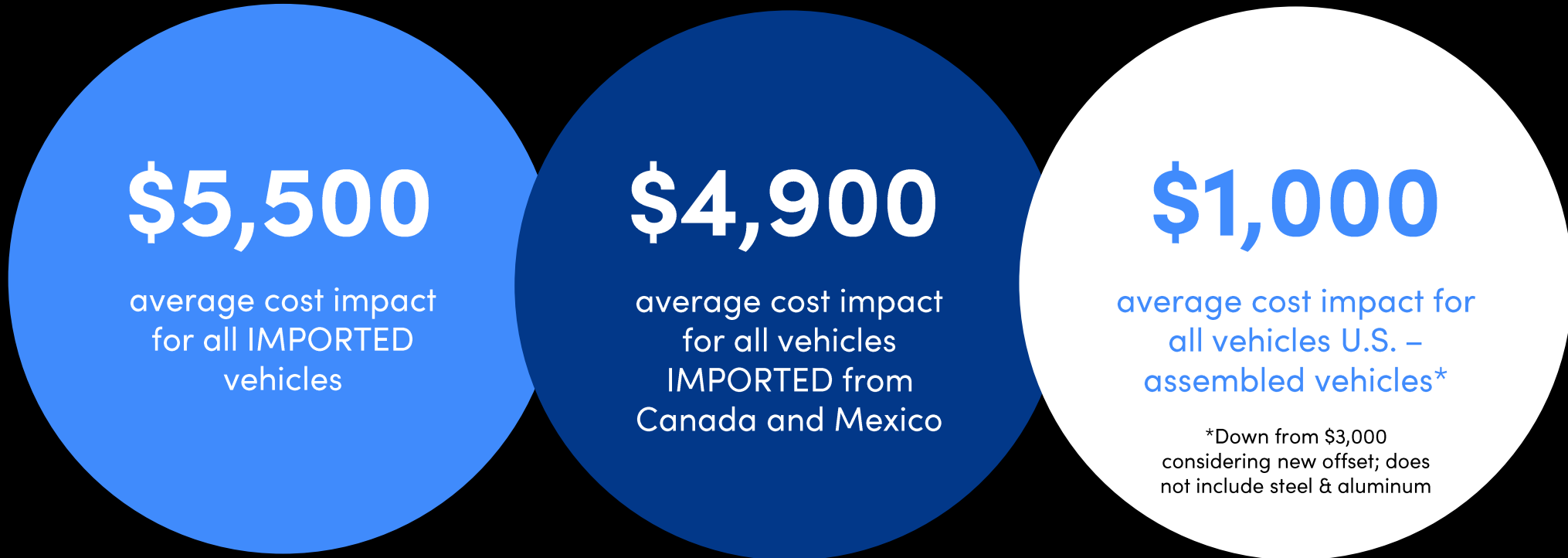


Values Goes Down: Shrinkflation / de-contenting, while holding prices steady. Eliminating trim level. Fee hikes. Lower incentives, reduced marketing/advertising

MSRP YoY Change: 2025



Costs are real and will be influencing decisions



We expect 4-8% increase in **price** on all vehicles, new and used as a result of tariffs.

*Based on 2025 Sales YTD as of July 2025



Dealer Groups – Changing Landscape

National and mid-major dealer accounts

ASBURY
AUTOMOTIVE GROUP

AutoNation

**BERKSHIRE
HATHAWAY**
—AUTOMOTIVE—



**campers
innRV**

**CAMPING
WORLD**

ED MORSE
AUTOMOTIVE GROUP

enterprise
car sales

Findlay
AUTOMOTIVE GROUP

GROUP 1
AUTOMOTIVE®

Hendrick
AUTOMOTIVE GROUP

Hertz

Ken Garff
WE HEAR YOU

LITHIA

Napleton
AUTOMOTIVE GROUP

PENSKE

Sonic
Automotive

V
VICTORY AUTOMOTIVE GROUP

Young
AUTOMOTIVE GROUP

New challenge



Buying Smaller
Dealerships –
Consolidation

Less Lenders
Preferred Programs

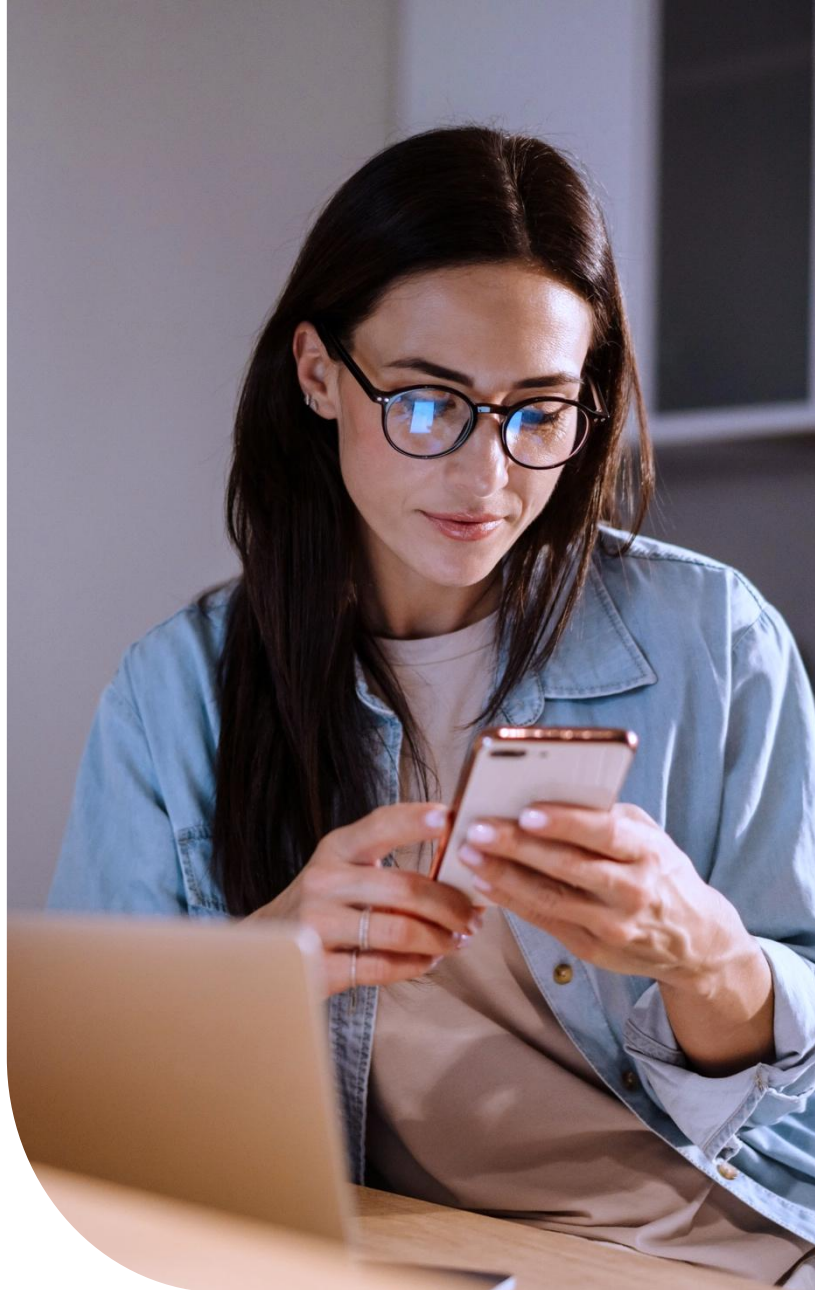
Embedded Finance
Garff Automotive,
Group 1, and
Asbury/LHM

Creating Captive
Finance Companies
Lithia, AutoNation



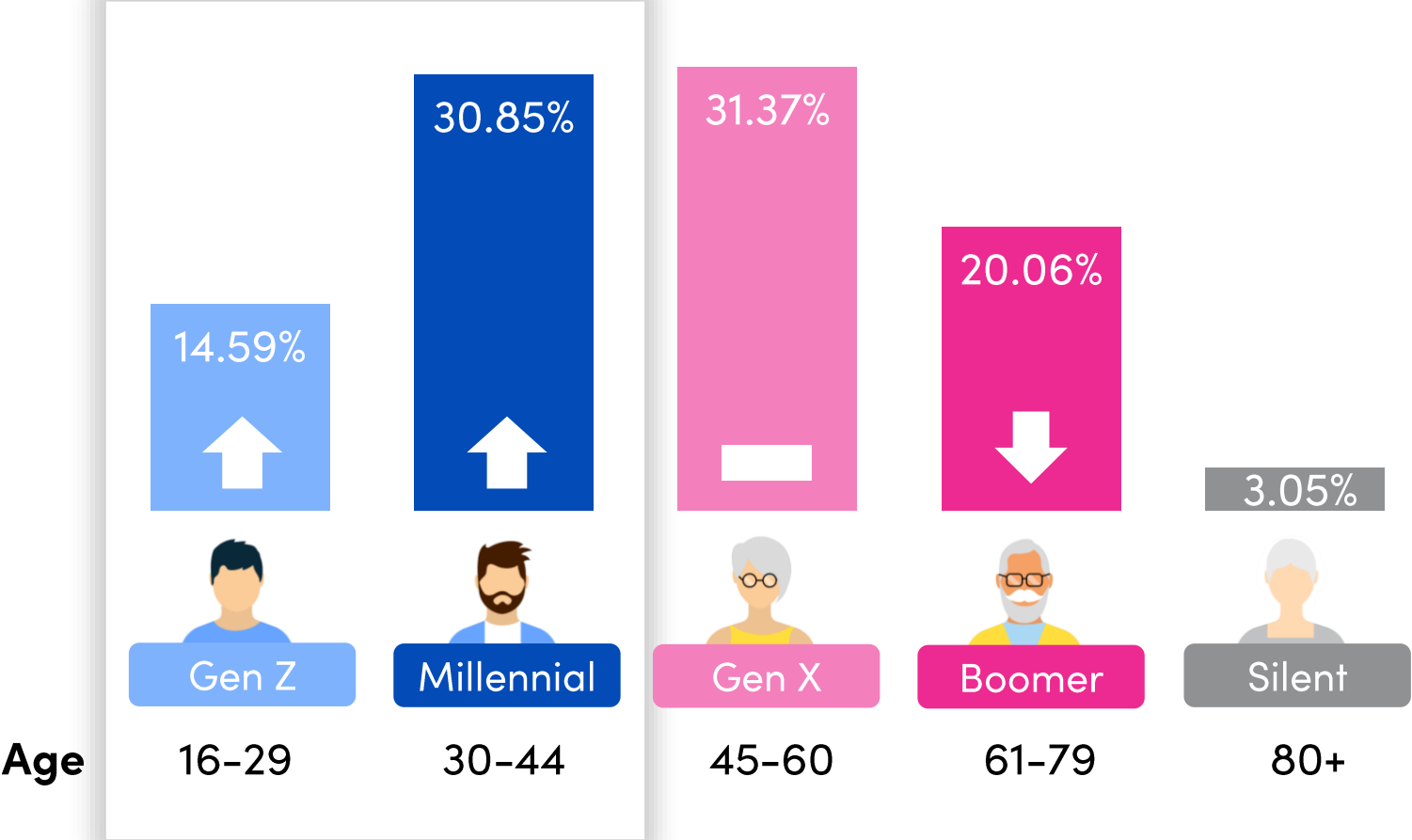


Auto Shopping and Finance (Embedded Finance)



Today's car buyers grew up with the internet and will lead a trend toward online car shopping

Used, retail registration % by generation





New buyers are open to a purchase experience that is mostly digital

EV Buyers

87%

Open to buying fully
online

ICE Buyers

73%

1-24 of 235 results for "hyundai"

Sort by: Featured

Department

< Any Department
Amazon Autos

Distance From Your Zip Code

25 miles
50 miles
75 miles

Condition

☐ New

Make

☐ HYUNDAI

Model Year

☐ 2026
☐ 2025

Price

\$24,000 – \$69,400+

Go

Exterior Color



Number of Seats

☐ 5 People
☐ 6 People
☐ 7 People

amazonautosBETA

Buy or lease your next car at Amazon

Learn more

Showing results in the Amazon Autos category and within 75 mi of your Zip Code. [Search in all departments](#)

Results

Check each product page for other buying options.

	HYUNDAI New 2025 Hyundai IONIQ 6 SEL			
	\$47,730⁰⁰ Excl. govt fees, taxes and \$702.50 in dealer fees Rebates may apply Total MSRP: \$47,730.00 FREE pickup McCarthy Hyundai - Olathe - 66061 approx. 23 miles	Color Transmission Blue	Interior Gray Leather	Drivetrain Rear Wheel Drive
	HYUNDAI New 2025 Hyundai Elantra SEL Convenience			
	\$26,397⁰⁰ Excl. govt fees, taxes and \$702.50 in dealer fees Rebates may apply	Color Ecotronic Gray	Interior Black Fabric	Drivetrain Front Wheel Drive
				Engine 147 hp 2.0L 4-cylinder Gasoline

Moving to connect credit union financing where the application begins



Online Marketplaces or
Auto Shopping
Channels

Online Direct to
Consumer Used Auto
Sales Models

Electric Vehicles & OEM
Direct to Consumer
Auto Sales Models

TrueCar®

ROADSTER™

amazon vehicles



CarGurus®



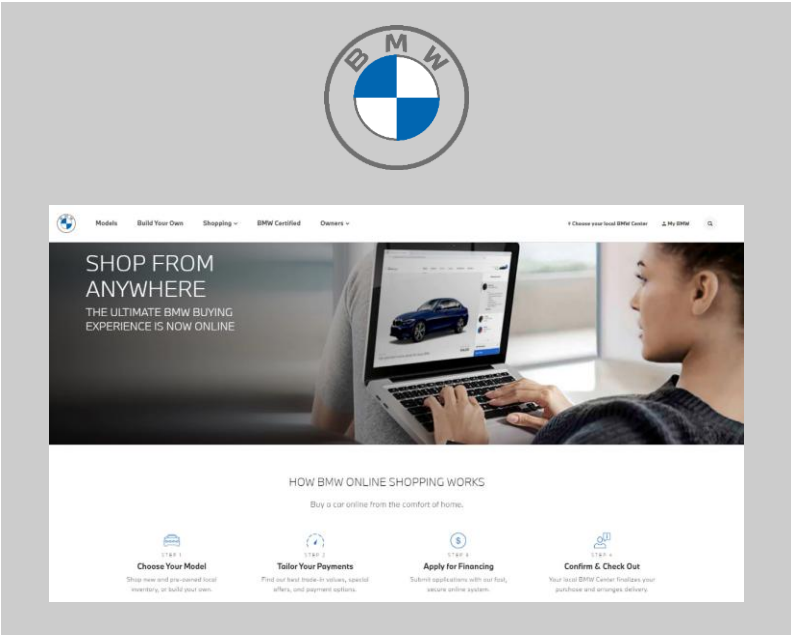
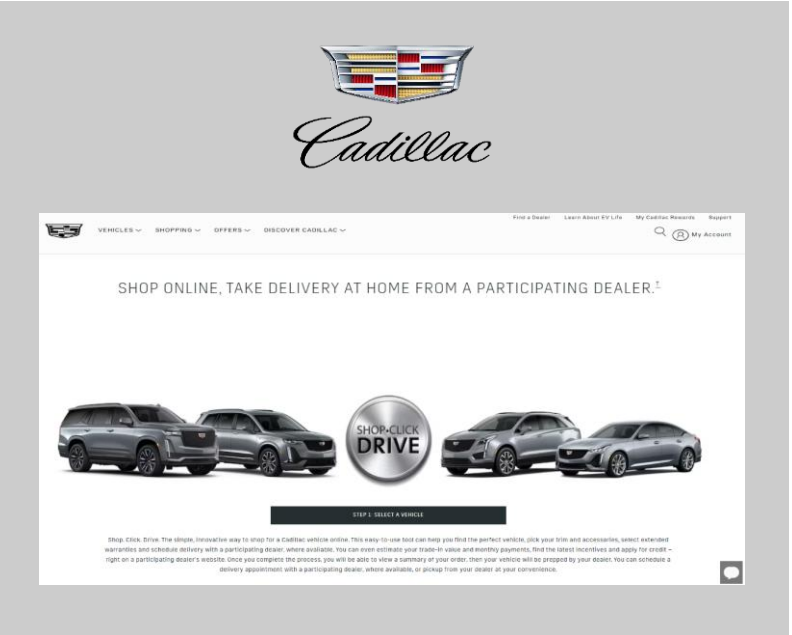
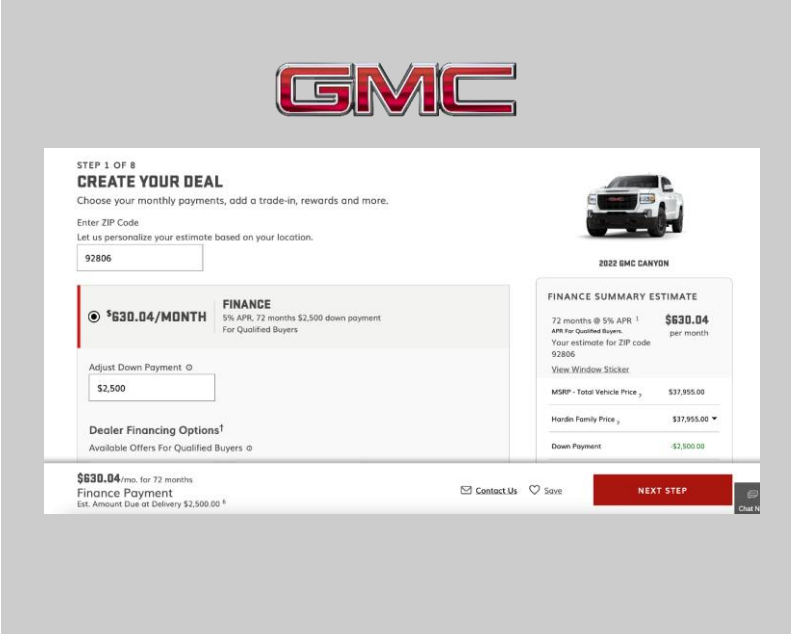
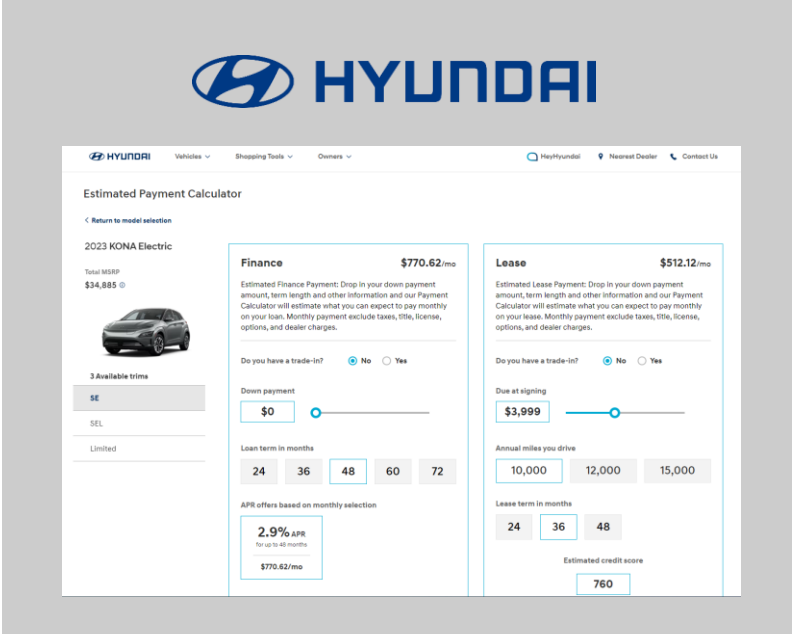
TESLA

LUCID

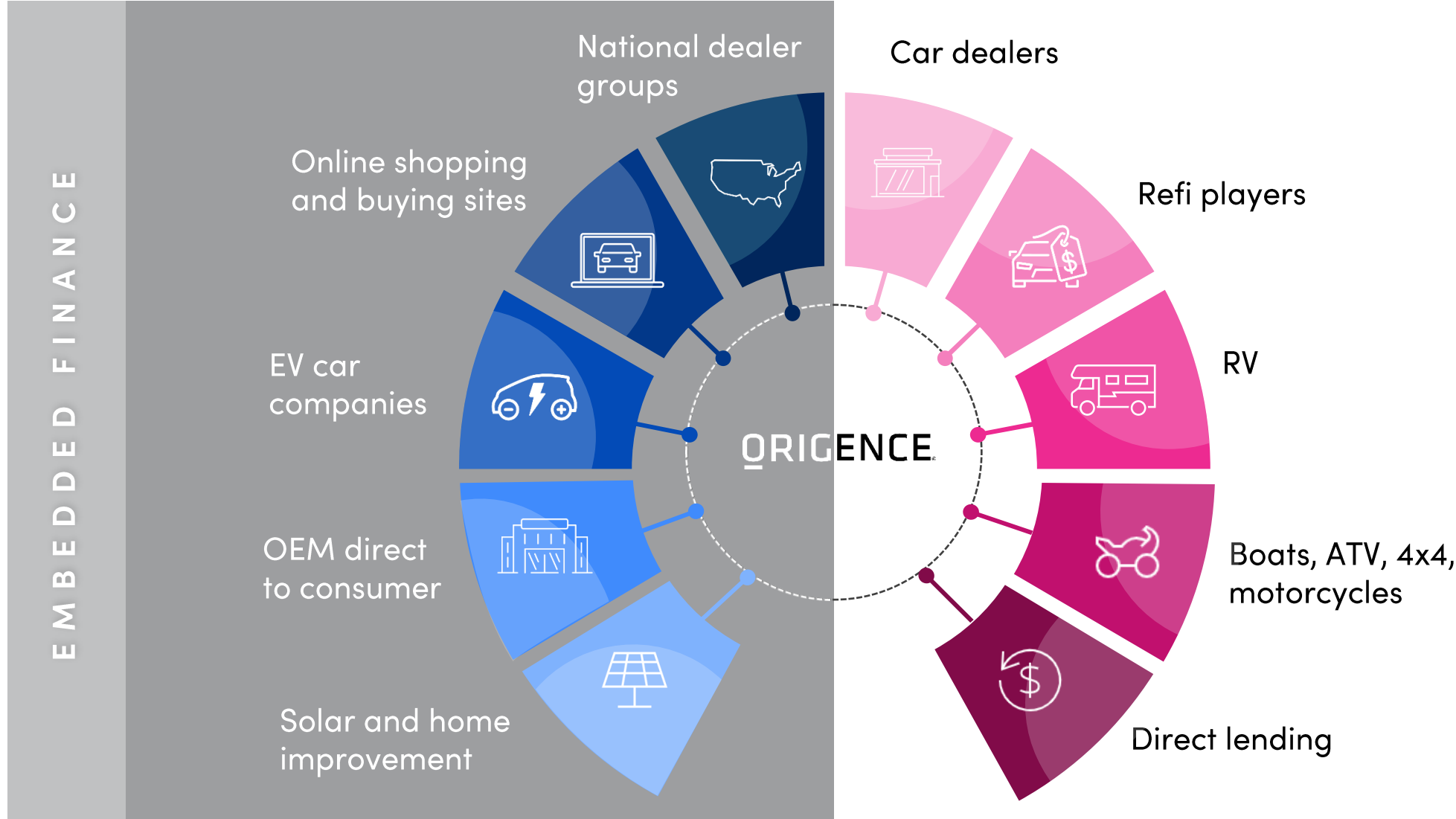


Confidential & illustrative examples of auto retailing and sales channels

OEM's Evolving Online Auto Shopping Towards eCommerce Experience



A future driven comprehensive lending network for credit unions



EV Update

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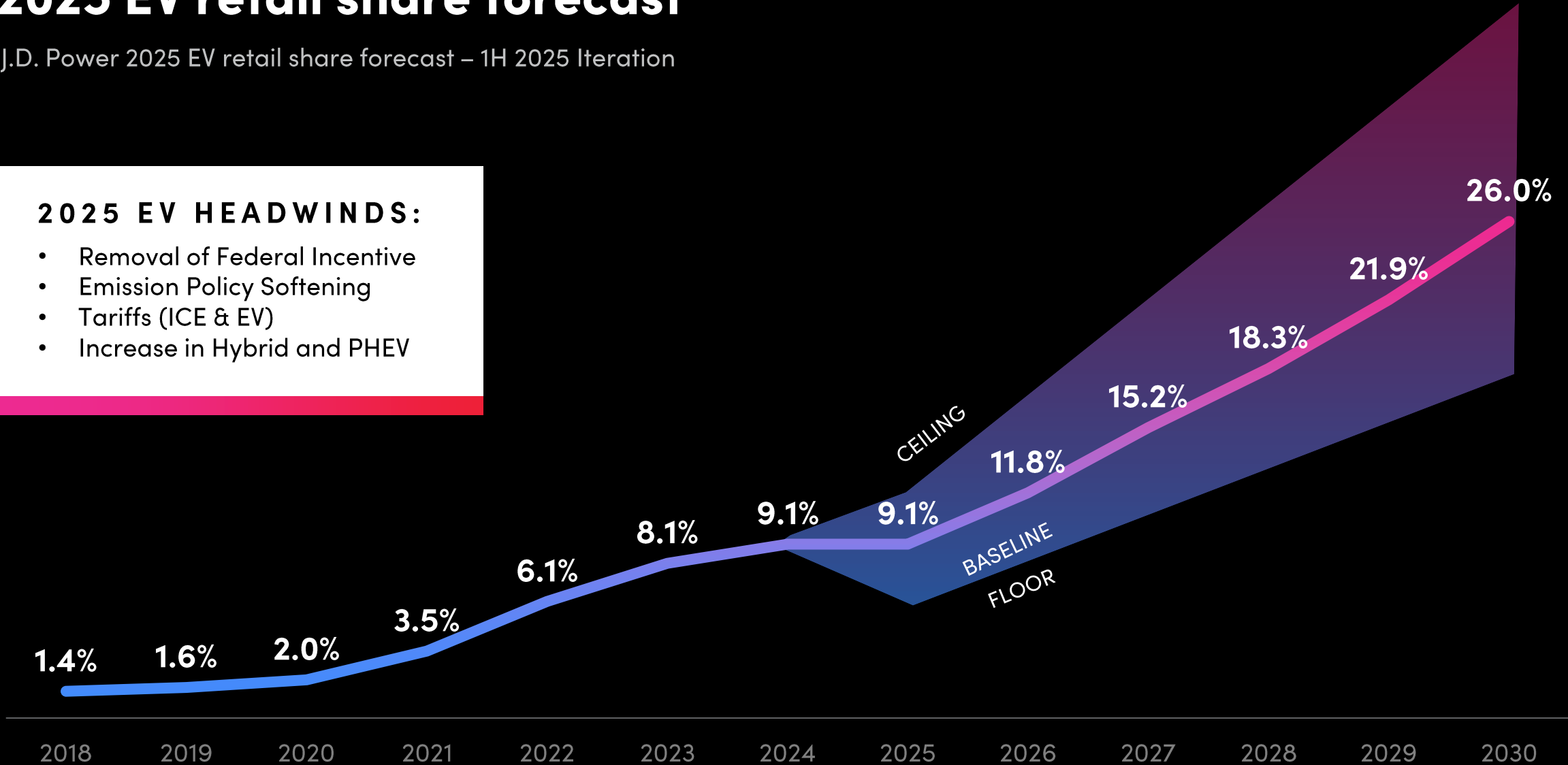


2025 EV retail share forecast

J.D. Power 2025 EV retail share forecast – 1H 2025 Iteration

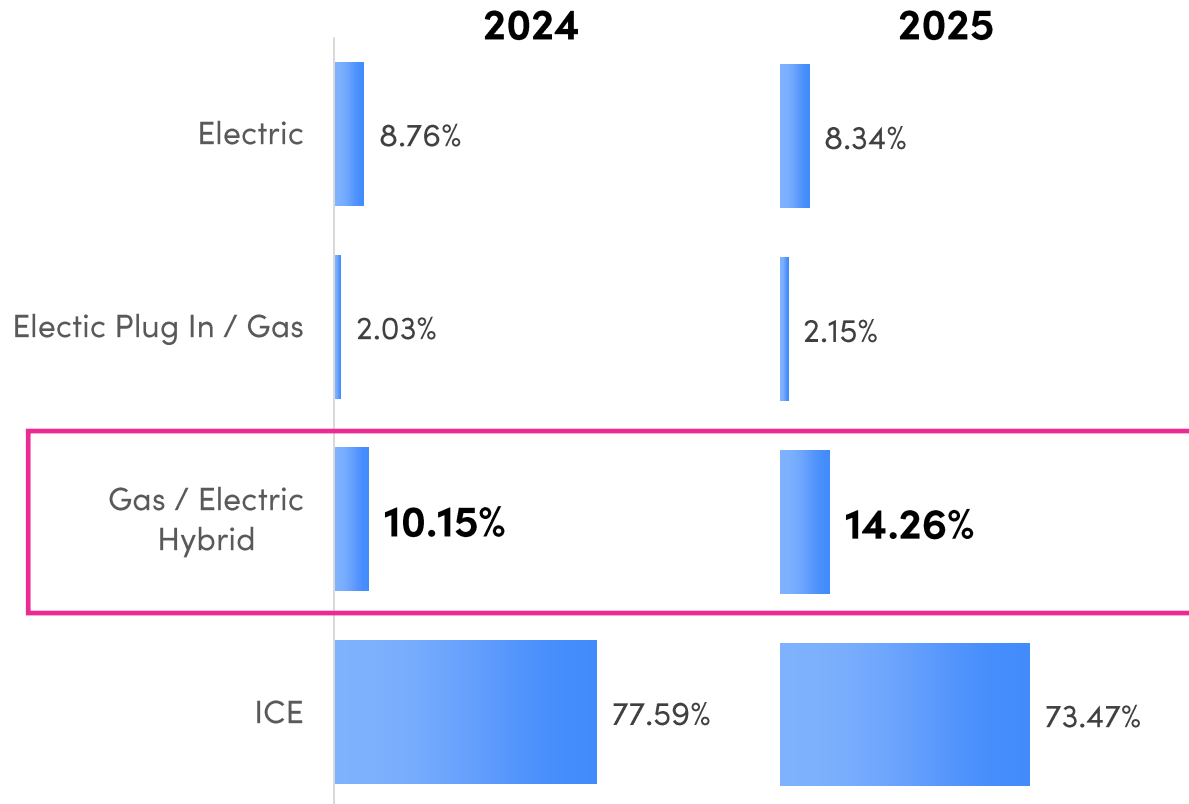
2025 EV HEADWINDS:

- Removal of Federal Incentive
- Emission Policy Softening
- Tariffs (ICE & EV)
- Increase in Hybrid and PHEV

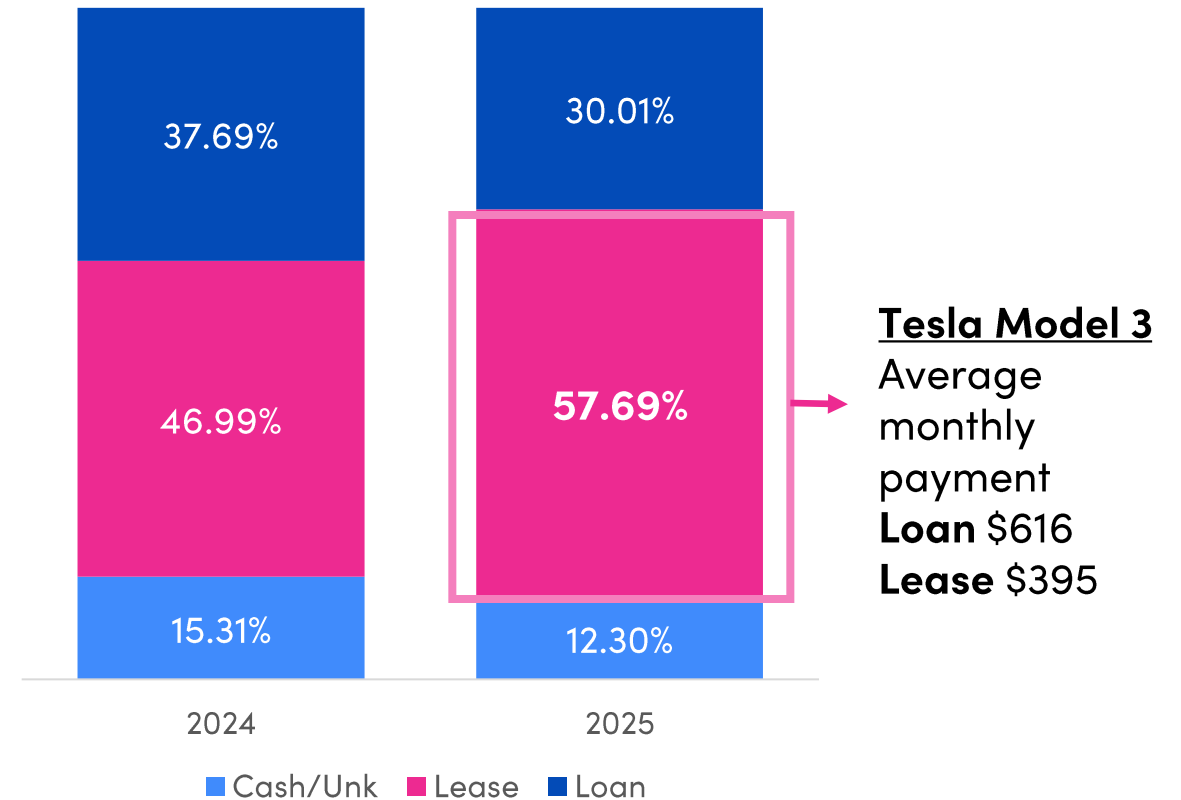


EV tax credit ended October 1st reflecting pull ahead of lease activity. Market growth in hybrid.

Percentage of new purchase by fuel type

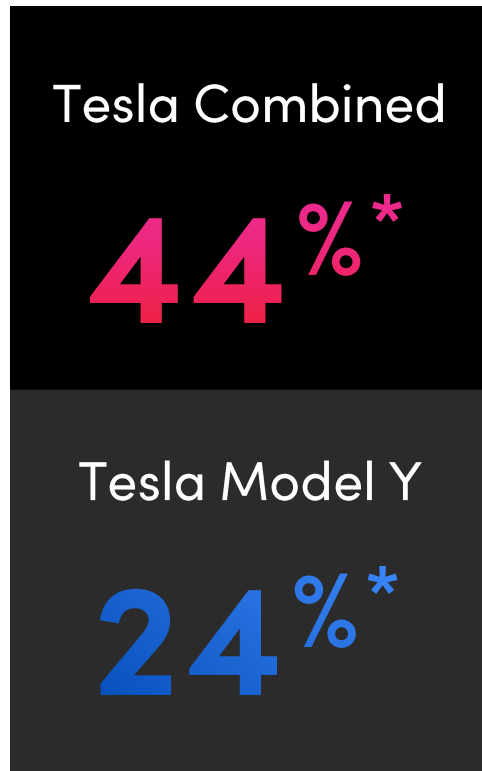


How are consumers purchasing new EV

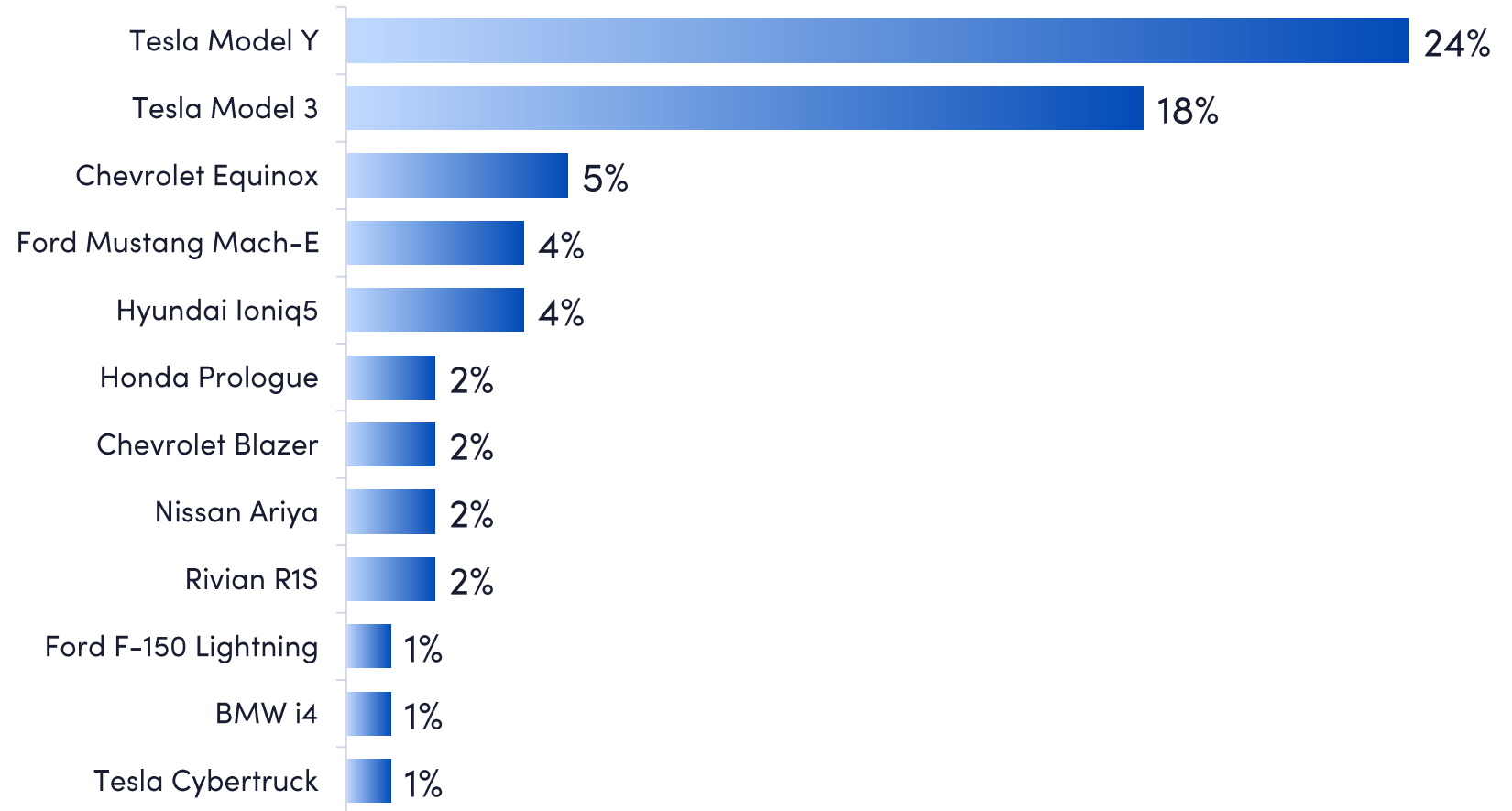


Tesla market share has dropped from 64% to 44% in Q2 2025

Top 12 US Electric Vehicle Sales (YTD as of Q2 2025)



* % Calculated from the top-12 car sales

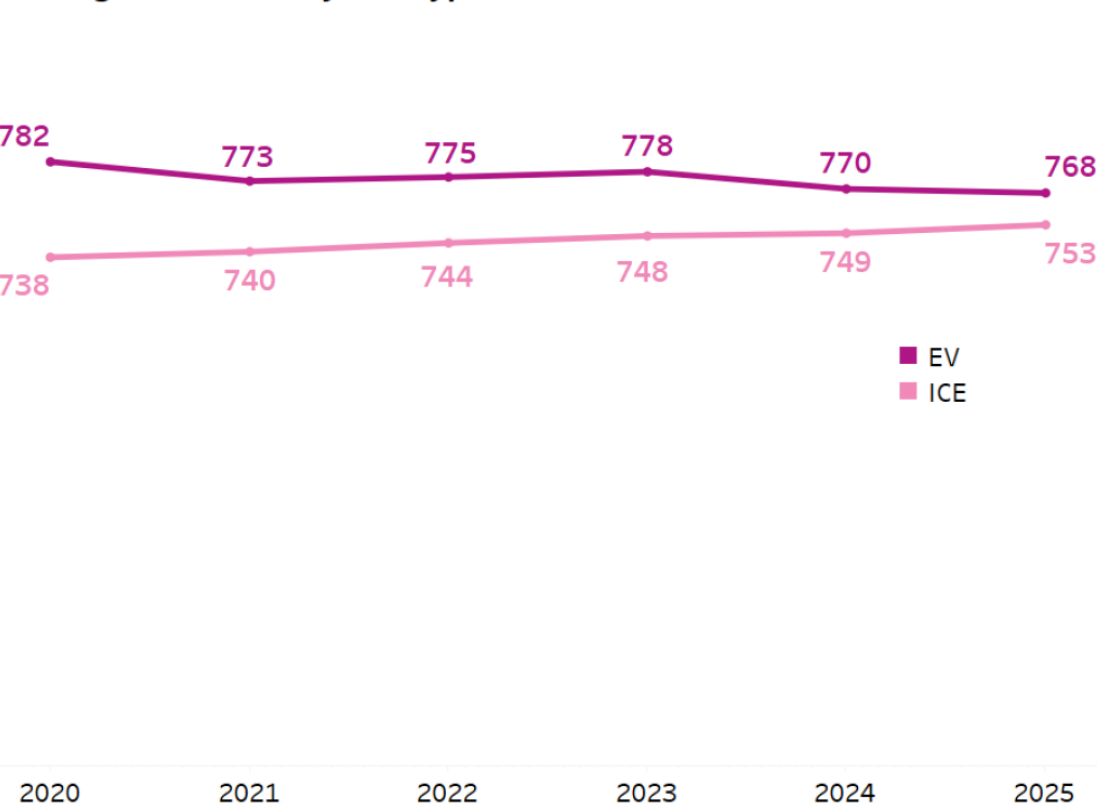


EV Buyer FICO starting to look more like regular car buyers

Average new score by transaction type



Average new score by fuel type





Tesla EV repossession

While not all repossessions are the same, sometimes you get lucky with an EV



- Tesla located the car through GPS
- Backed the car out of a parking stall
- Unlocked the car remotely
- Made it available for repossession

Ford's future EVs may just repo themselves

Ford's patent pending repossession technology

Suzanne Smalley

January 16th, 2024

Industry

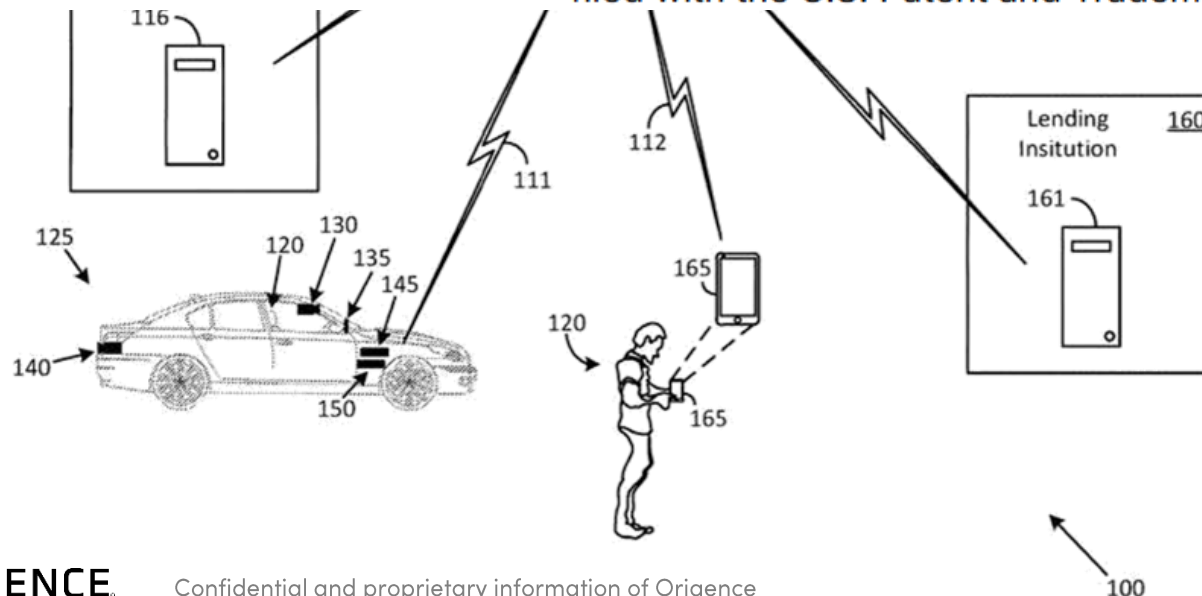
Privacy

Technology

News

Ford drops attempt to patent tech allowing lenders to remotely meddle with cars

Ford has abandoned its patent application for a controversial system that would take over vehicles whose owners are delinquent in making payments and, in the case of self-driving cars, allow them to repossess themselves by driving to repo lots, according to documents filed with the U.S. Patent and Trademark Office.



- Geofencing the car location for repossession
- Stop select car functions
- Disable vehicle from starting
- Create a beeping noise or horn if operator tries to start the car
- Lastly move the vehicle to a parking lot where it can be collected, off private property



Industry Support

ORIGENCE

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Giving back is more than a commitment – it's part of who we are

By supporting industry organizations, we help uplift communities nationwide, strengthening the credit union movement and the people it serves.

\$16M

Raised for Children's
Miracle Hospitals
since 2006

\$1M

Given to support
the credit union
movement in 2024

50+


Unique
charitable events
supported



**Credit Unions
for Kids™**
benefiting
Children's Miracle Network Hospitals

Industry and Community Impact



A woman with dark hair tied back, wearing a blue and white striped shirt, is shown in profile from the chest up. She is holding a smartphone in her hands and looking towards the right. The background is a soft, colorful gradient of blue, purple, and pink.

To create the
ultimate origination
experience.