



June 26, 2015

Mr. Peter Welch
President
National Automobile Dealers Association
8400 Westpark Drive
McLean, VA 22102

Dear Mr. Welch:

The Center for Responsible Lending has long been concerned with the impact of arbitrary and discriminatory practices in lending, where the amount borrowers pay is not based on their credit qualifications. Past experience and data have shown that these practices, including and especially car dealer interest rate markups, result in unfairness and discrimination.

In 2011, we issued a report that provided an estimate of the impact of dealer interest rate markups on consumers who financed cars in 2009. We estimated that consumers will pay \$25.8 billion in interest over the lives of their loans due to dealer interest rate markup. We disclosed the underlying data and the methodology that we used in the report.

Your organization has criticized our report and our methodology publicly. However, in the four years since our research was published, your organization has not released your own data or an estimate of the total dealer interest rate markup for the auto lending market that contradicts ours.

As the trade group representing auto dealers across the country, your organization has access to data that enables you to disclose the size of dealer interest rate markup. We hope that you agree with us that financial markets work best when they are transparent. We call on you to release the data showing the amount consumers who finance cars in a given year pay in dealer interest rate markup, and provide that data in a publicly-reviewable form.

We stand ready to work with you to create transparency in the important auto finance market.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Calhoun", written over a light blue horizontal line.

Mike Calhoun
President
Center for Responsible Lending