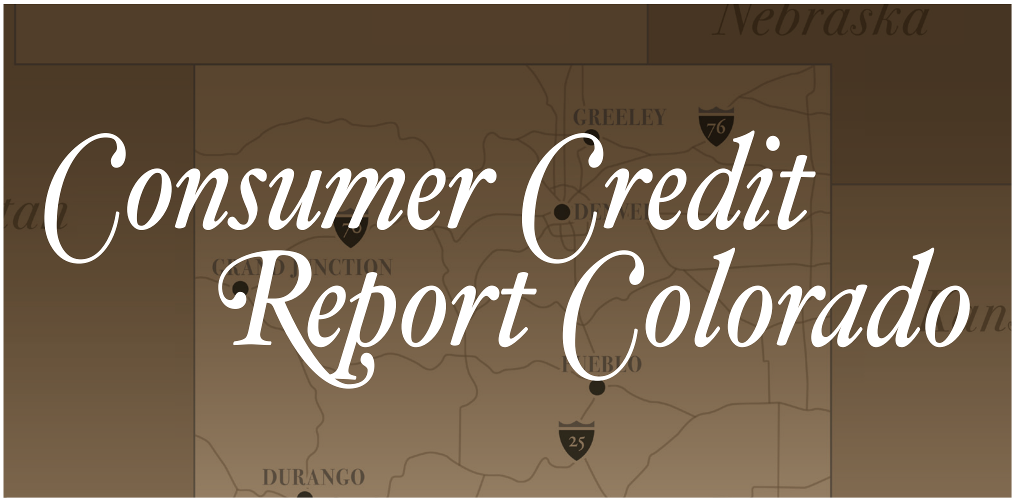
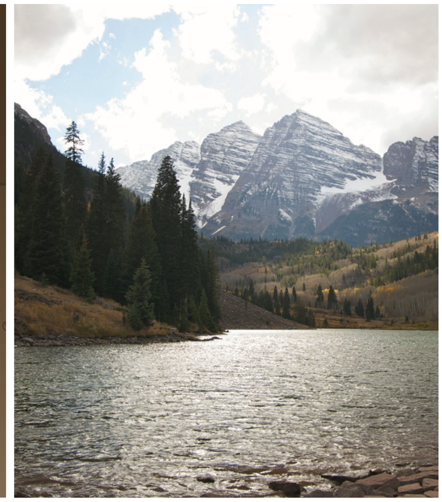
Consumer Credit Report Colorado





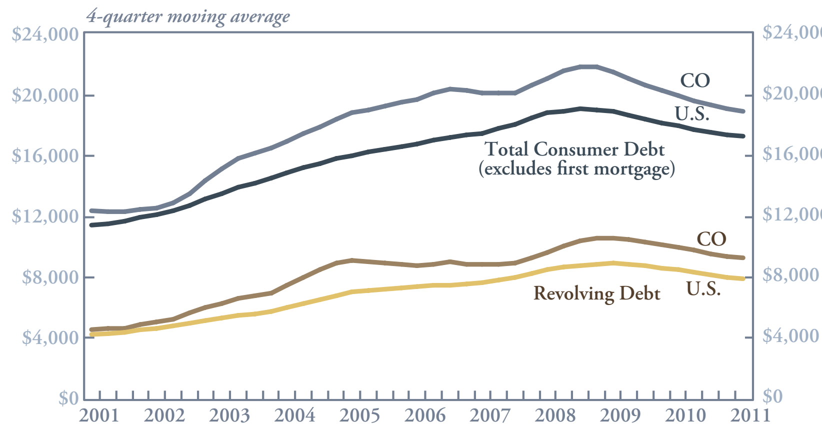
3rd Quarter 2011 | **Federal Reserve Bank *of* Kansas City**

Debt Burden

The capacity to pay back debt is a critical gauge of consumer credit conditions. On a short-term basis, this capacity is best measured by the minimum monthly payments due on debts as a share of monthly income.

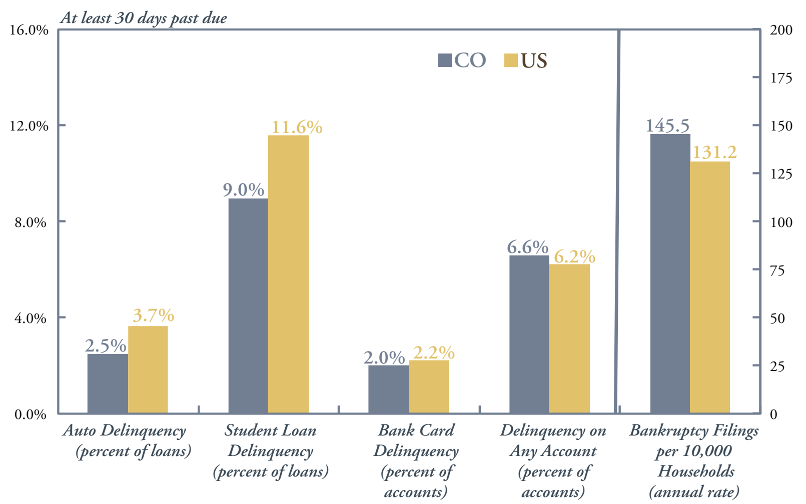
In Colorado, 13.5 percent of monthly household income is required to cover the minimum payments due on debt, such as mortgages, credit cards, and auto loans. This burden is slightly higher than the comparable U.S. figure of 13.2 percent. Only 12.5 percent of income is required to meet minimum debt payments in the Tenth District as a whole. Colorado debt service burden in the third quarter was lower than the burden in 2006, which was 14.4 percent. Although the total amount of debt (including mortgages) held by the average Colorado consumer changed little over that period (at about $98,000), debt burdens were reduced by lower interest rates. Any future rise in interest rates above these historically low rates would likely raise debt burdens, putting additional financial pressure on Colorado households. For more information, see the Tenth District Consumer Credit Report.

Chart 1: Average Debt per Consumer



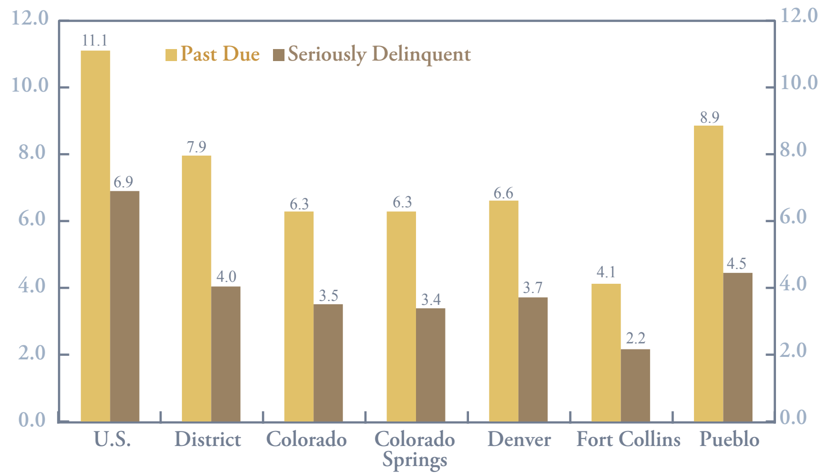
Source: Federal Reserve Bank of New York Consumer Credit Panel/Equifax
Note: A first mortgage represents the primary note on the home and typically is not used to purchase consumer goods.

Chart 2: Average Consumer Delinquency Rate



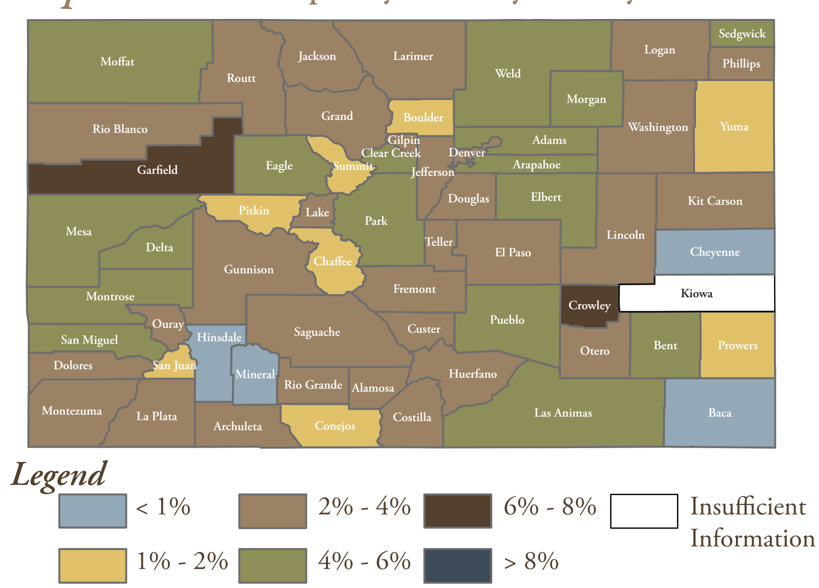
Sources: Federal Reserve Bank of New York Consumer Credit Panel/Equifax and the Administrative Office of the U.S. Courts
Note: Due to changes in the way variables were reported and a larger sample, delinquency figures are not comparable to those from the second quarter. "Any Account" includes accounts not otherwise reported in the chart.

Chart 3: Mortgage Delinquencies



Source: Lender Processing Services, Inc.
Notes: The figures represent the share of outstanding mortgages. Past due represents mortgages that are 30 or more days delinquent, including those in foreclosure. Serious delinquencies represent mortgages that are 90 or more days past due or in some stage of the foreclosure process.

Map: Serious Delinquency Rates by County



Note: Serious delinquencies represent mortgages that are 90 or more days past due or in some stage of the foreclosure process.

Notes

The Consumer Credit Report series is published quarterly by the Federal Reserve Bank of Kansas City to provide a summary view of consumer credit standing in each Tenth District state. For questions or comments, contact Kelly Edmiston, senior economist, at *kelly.edmiston@kc.frb.org*.