Consumer Credit Report Kansas

3rd Quarter 2011

Federal Reserve Bank *of* Kansas City

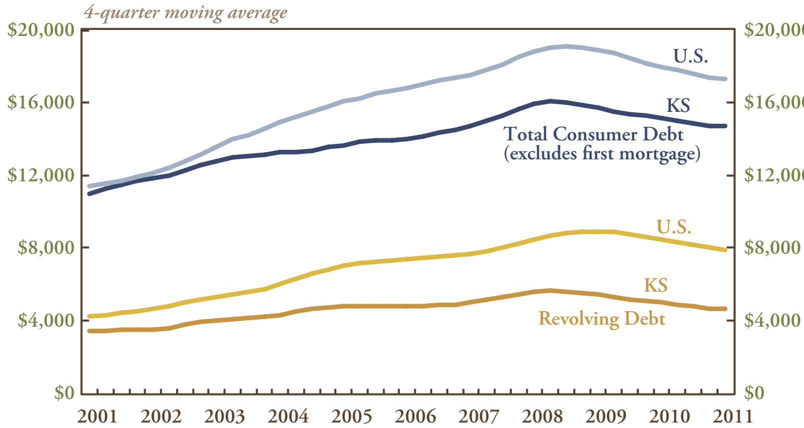
Debt Burden

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 household income.

About 12.1 percent of monthly household income is required to cover minimum monthly debt payments for the average Kansas consumer, including payments on mortgages, credit cards, and auto loans. Kansans are moderately less debt-burdened than the average Tenth District consumer (12.5 percent) and U.S. consumer (13.2 percent). Kansas debt service burden changed little from 2006, when it was 12.0 percent. Although the total amount of debt (including mortgages) held by the average Kansas consumer increased over the period (from about $48,800 to about $54,000), debt burdens were held in check by lower interest rates. Should interest rates rise appreciably from their current historically low rates, debt service could become a significantly greater burden for Kansas households. For more information, see the Tenth District Consumer Credit Report.

Chart 1: Average Debt per Consumer

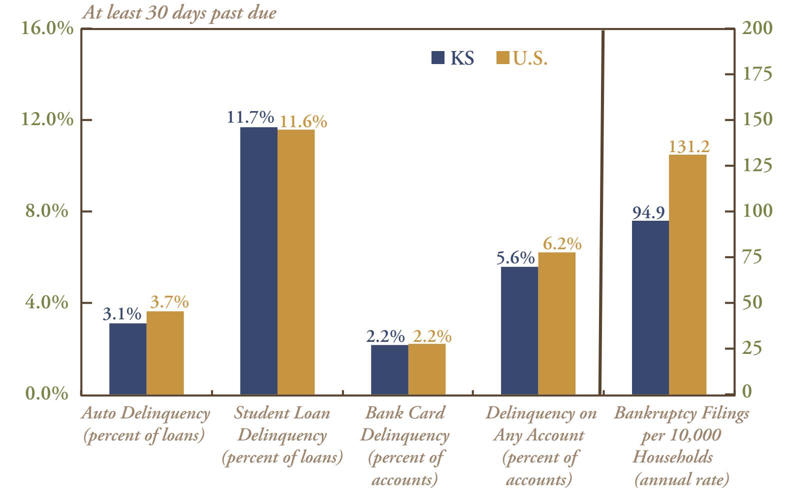
4-quarter moving average



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.

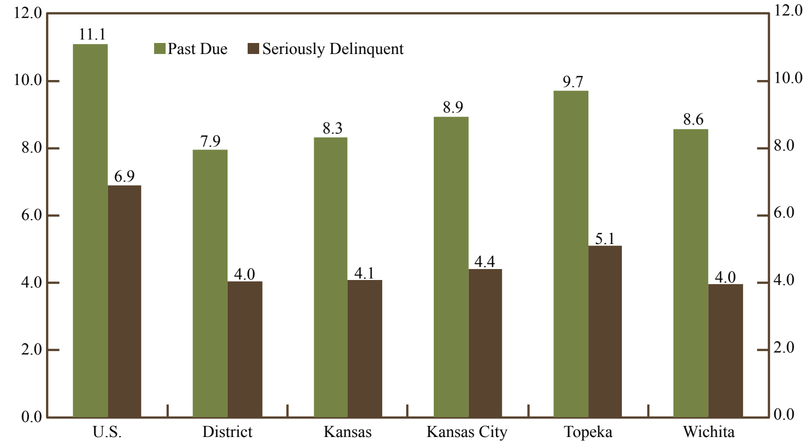
Chart 2: Average Consumer Delinquency Rates

At least 30 days past due



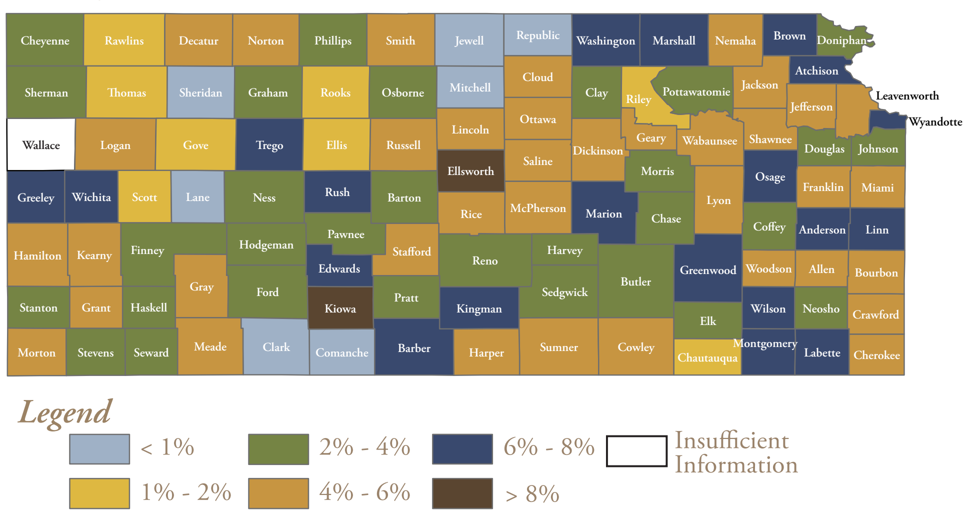
Sources: Federal Reserve Bank of New York Consumer Credit Panel/Equifax and the Administrative Office of the U.S. Courts
Note: Due to changes in the way variables were reported and a larger sample, delinquency figures are not comparable to those from the second quarter. Any Account" includes accounts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



Source: Lender Processing Services, Inc.
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*.