



FOR IMMEDIATE RELEASE

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### **Consumers Rank Credit Card Bills Higher Priority Than Mortgage, says Auriemma Consulting Group**

WESTBURY, N.Y. — In a break from historical precedent, U.S. consumers rank credit cards as a higher repayment priority than mortgages, according to Cardbeat<sup>®</sup>, a syndicated market research report published by Auriemma Consulting Group (ACG). While consumers in previous years had always named their mortgage as the bill they would pay first, in the most recent survey they put mortgage payments in second place, after credit card bills.

“ACG believes that this change is driven by two market trends,” says Nancy Stahl, editor of Cardbeat. “First, credit has become tighter. Issuers have cut credit lines, and cardholders are aware that missed or late payments can trigger rate increases or account closure.” Cash-strapped consumers view their credit cards as their “lifeline”, necessary for juggling daily living expenses, she said.

At the same time, Stahl noted, mortgage foreclosures have become common and many consumers have ‘underwater’ mortgages for more than the current value of their home. “Intense media coverage of the housing crisis and of legislative efforts to assist homeowners who fall behind may be swaying borrowers toward the conclusion that it’s more important to be current on their credit card than on their mortgage.”

The information in this release includes data from a survey of 430 credit card users conducted in October 2009.

### **About Auriemma Consulting Group**

Auriemma Consulting Group (ACG) is a full-service management consulting firm serving the payments and lending industries since 1984. Cardbeat<sup>®</sup> is ACG’s syndicated market research study of credit card holders, conducted monthly in the U.S. and quarterly in the U.K. With offices in New York and London, ACG consultants are experienced practitioners, drawn from the credit card, private label, auto finance, mortgage, and retail banking industries that we serve. For more information, contact Nancy Stahl at 516-333-4800 or [nancy.stahl@acg.net](mailto:nancy.stahl@acg.net).