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Auto financing firm on fast track

By Tony Natale
 Tribune



Jon Von Tesmar of RC Taylor puts together cubicles at DriveTime's new office in Mesa.

Toru Kawana Tribune

DriveTime, a combined used car and financing company with eight dealerships in the Valley, expects to hire 100 more employees at its new operations center at 7300 E. Hampton Ave. in Mesa. The center currently has 280 employees at its Gilbert office, and is preparing to move them to Mesa within the next few weeks, said Jon Ehlinger, a DriveTime spokesman. The office should be operating by March 19.

"We're looking forward to more than doubling our work force and contributing to the growing economy in Mesa," said Ehlinger.

The new center will focus on financial lending services, customer relations, human resources and informational technology.

He said the 100 new employees will be added over the next few months to handle the opening of new dealerships, and another 300 are expected to be hired at the Mesa office in the next three years.

DriveTime, with headquarters in Phoenix and with East Valley dealerships in Gilbert, Chandler and Mesa, is the nation's largest used car and finance company with assets estimated at \$1 billion.

Its financial branch is DT Acceptance Corp. and the company's services are primarily aimed at car buyers who are unable to get traditional credit loans.

The new operations center will occupy 82,000 square feet in a 125,000-square-foot building purchased by DriveTime for \$15.8 million. The remaining space will be leased to Norwegian Cruise Line.

Mark Wilcke, senior vice president of NAI Horizon, a commercial real estate company that coordinated the purchase of the Mesa building, said the DriveTime operations center is a good fit for the used car-lending company.

"The building's telecommunications capabilities and access to a strong labor force were among the things that made it a great fit," Wilcke said.

Ehlinger said DriveTime plans to add 15 dealerships in 2007 in Arizona, Denver and Greensboro, N.C. It currently has 98 dealerships in 15 U.S. markets, including the Valley, Atlanta, Dallas, Las Vegas, Los Angeles and Charlotte, N.C., and employs 2,700 workers. Employees are offered medical, dental and vision health insurance plans, retirement programs and other benefits, including a profit-sharing plan.

"DriveTime serves a specific market of people who are unable to obtain credit but who need transportation," Ehlinger said. He said his company's interest rates are comparable to other agencies that provide loans for potential buyers who have "less-than-perfect credit."

"Our customers are able to reduce their credit interest rates as they go along," said Ehlinger, who added that DriveTime's average APR, or annual percentage rate, is 20 percent. DriveTime was founded in 1977 as Ugly Duckling Rent-A-Car System, which went bankrupt in the late 1980s.



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