

Buyers Globally Cancelling Orders of Tesla Model 3 As Safety And Ethics Issues With Company Are Exposed, Cancellations Outnumber New Orders

David Middleton /

Guest Tesla Shill: David Middleton

24% of Tesla Model 3 orders have been canceled, analyst says

by Jordan Valinsky @CNNMoney
July 19, 2018

Tesla is finally making enough Model 3s — but an analyst says many customers are growing too impatient to wait any longer for them.

Cancellations for Model 3 orders have picked up in recent weeks. Refunds now outpace deposits for Tesla's new mass-market electric car, according to Needham & Co. analyst Rajvindra Gill. Tesla disputes that.

*In an analyst note delivered to clients Thursday, Gill cited extended wait times for the car, the **expiration of a \$7,500 tax credit**, and the fact that Tesla has not yet made the \$35,000 base model of the car available for purchase yet.*

About one in every four Model 3 orders is canceled, Gill said, double the rate from a year ago. Customers have to put down a refundable \$1,000 deposit to reserve a Model 3, then pay another \$2,500 to choose their specific version. They pay the rest when the car is delivered.

The wait time for a Model 3 is about 4 months to a year, and base model customers could wait until 2020, Gill said.

A Tesla spokesperson denied that Model 3 cancellations exceed new orders.

[...]

CNN Money