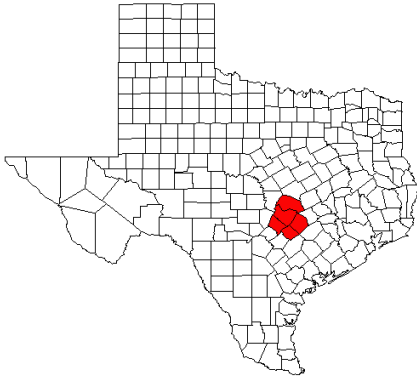


Payday and Auto Title Lending in Texas

Austin MSA 2015

Austin-Round Rock-San Marcos

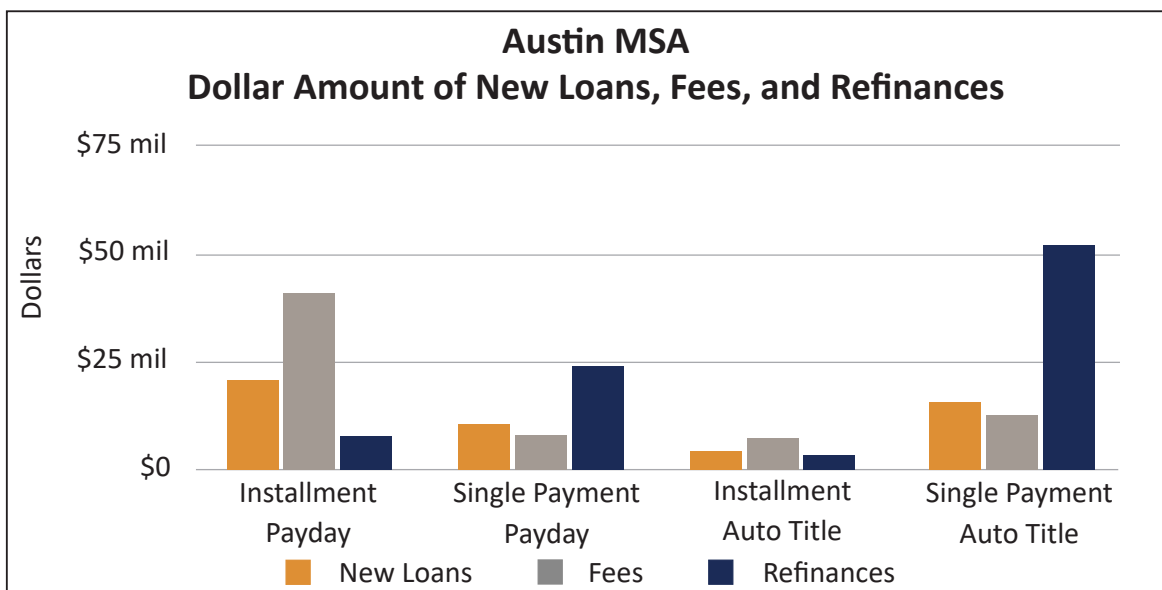


- **Store Locations:** 152
- **New Loans:** \$51,257,119
- **Fee Charges:** \$68,705,226
- **Refinances:** \$87,003,443
- **Repossessions (Auto Title):** 1,587 or 31 cars per week
- **Repossession Rate:** 17% of borrowers had car repossessed

Refinances and High Fees Continue to Drive Costs

Payday and auto title businesses in Texas offer two main loan types: single payment loans, due in full in 2 weeks or 1 month, and installment loans, due in a series of payments over a period of up to 6 months. Longer loan terms mean installment loans have fewer refinances, but even higher fees.

- **In the Austin MSA, refinances make up 65% of single payment loan transactions.**
- **On average, installment borrowers paid \$1.91 in fees for every dollar borrowed.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$587 to \$1,482. For borrowers who refinance, the average cost to repay a \$500 loan can reach over \$3,000.** Average APRs for payday and auto title loans in the Austin MSA range from 212% to 586% (see table on back).



Payday and Auto Title Lending in Texas

Austin MSA at a Glance: Profile of Loan Terms and Repayment, \$500 Loan

	Installment Payday	Single Payment Payday	Installment Auto Title	Single Payment Auto Title
Average Loan Term (Days)	163	18	169	30
Average Fees per \$100	\$191.94	\$22.49	\$95.37	\$16.61
Ave. Annual Percentage Rate (APR)	586%	466%	330%	212%
Amount Repaid with No Refinances	\$1,482.02	\$614.83	\$1,000.02	\$587.08
Percent of Borrowers Who Refinance (Ave. of Quarterly Rates)	6.37%	49.47%	8.82%	46.45%
Average Refinances per Borrower	3.19	6.11	4.65	5.94
Amount Repaid with Ave. Refinances	\$4,617.25	\$1,315.99	\$3,323.43	\$1,104.71

Installment Payday Loans Major Fee Driver

The dollar amount of new payday and auto title loans decreased by 24% from 2014 to 2015, total fees were down 21% and refinances down 30%. Installment payday loans continued to hold the largest share of fees charged compared to other loan products. In 2015, installment payday loans made up 21% of the total dollars lent, but 59% of the fee charges. The cost of installment payday loans decreased from 2014 to 2015, from 605% APR to 586% APR. In contrast, installment auto title loans saw an increase in cost, from 309% APR in 2014 to 330% APR in 2015. Depending on the loan terms, **fees for one installment loan are often the same as fees charged for 5 to 12 single payment loan transactions.**

Austin MSA

