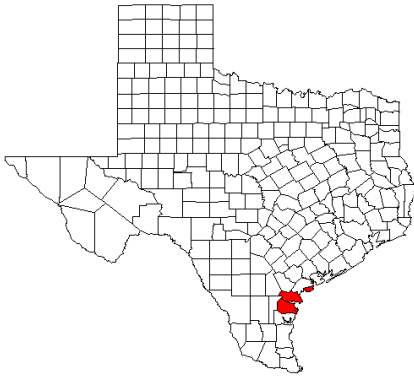


# Payday and Auto Title Lending in Texas

## Corpus Christi MSA 2013

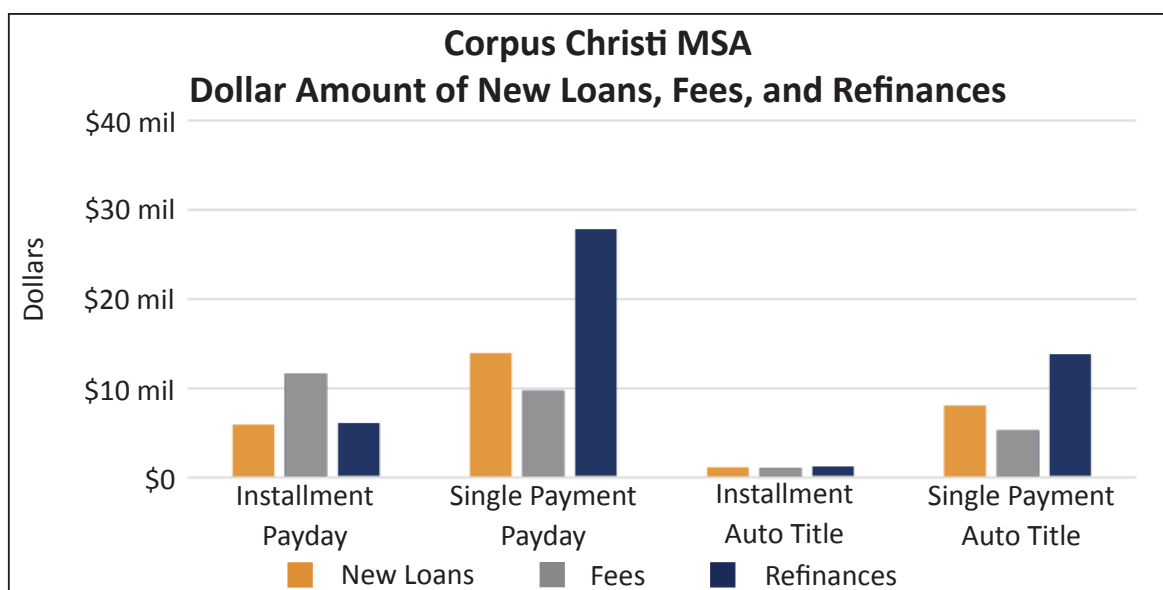


- **Store Locations:** 90
- **New Loans:** \$29,026,289
- **Fee Charges:** \$27,676,481
- **Refinances:** \$48,816,586
- **Repossessions (Auto Title):** 450—9 cars per week
- **Repossession Rate:** 7% of borrowers had car repossessed

### Refinances and High Fees 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 Corpus Christi MSA, refinances make up 64% of single payment loan transactions.**
- **On average, installment borrowers paid \$1.80 in fees for every dollar borrowed.**  
The dollar amount of fees for all installment loans increased by 234% from 2012 to 2013. Fees for installment payday loans increased by 304%.
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$612 to \$1,290. 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 Corpus Christi MSA range from 265% to 488% (see table on back).



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## Corpus Christi MSA at a Glance: Profile of Loan Terms and Repayment, \$500 Loan

	Installment Payday	Single Payment Payday	Installment Auto Title	Single Payment Auto Title
<b>28</b> Average Loan Term (Days)	169	17	199	28
Average Fees per \$100	\$153.39	\$21.96	\$86.61	\$21.96
Ave. Annual Percentage Rate (APR)	488%	482%	265%	296%
Amount Repaid with No Refinances	<b>\$1,290.05</b>	<b>\$612.17</b>	<b>\$960.34</b>	<b>\$613.65</b>
Percent of Borrowers Who Refinance (Ave. of Quarterly Rates)	13.07%	54.15%	17.83%	42.90%
Average Refinances per Borrower	2.71	5.61	5.11	4.82
Amount Repaid with Ave. Refinances	<b>\$3,430.99</b>	<b>\$1,241.54</b>	<b>\$3,313.95</b>	<b>\$1,161.09</b>

## New Trend: Installment Payday Loans

Installment payday loans made up 15% of dollars lent for all types of loans in 2013, but 42% of total fees, indicating that this product is a huge fee driver. Depending on the loan terms, **fees for one installment loan are often the same as the fees charged for 5 to 12 single payment loan transactions.**

