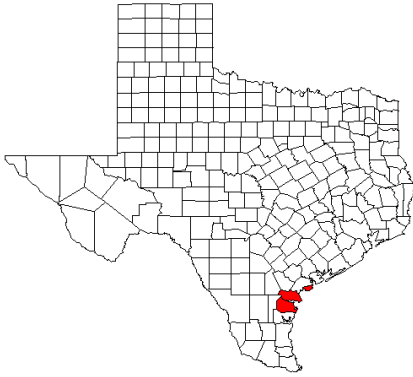


Payday and Auto Title Lending in Texas

Corpus Christi MSA 2017

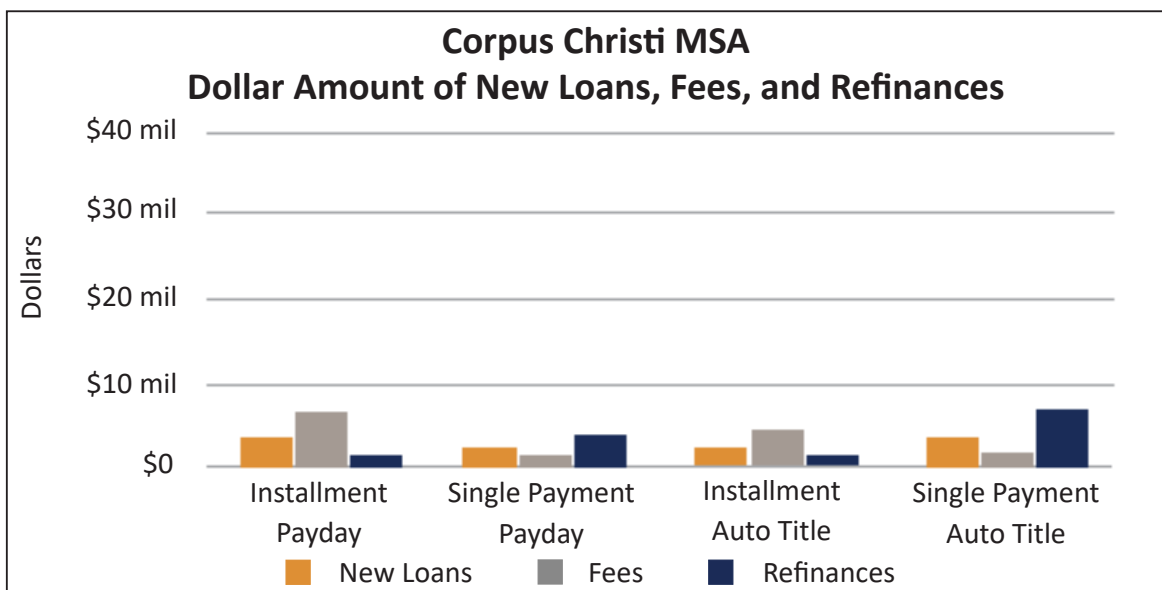


- **Store Locations:** 44
- **New Loans:** \$10,541,002
- **Fee Charges:** \$12,965,814
- **Refinances:** \$11,906,008
- **Repossessions (Auto Title):** 405 or 8 cars per week
- **Repossession Rate:** 11% of borrowers had car repossessed

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. **Fees for one installment loan are often the same as fees charged for 5 to 12 single payment loans.**

- **In the Corpus Christi MSA, refinances make up 60% of single payment loan transactions.**
- **On average, installment borrowers paid \$302 for every \$100 borrowed.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$581 to \$1,457. 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 196% to 574% (see table on back).



Payday and Auto Title Lending in Texas

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
Average Loan Term (Days)	166	19	156	30
Average Fees per \$100	\$186.87	\$21.21	\$131.57	\$15.30
Ave. Annual Percentage Rate (APR)	574%	417%	467%	196%
Amount Repaid with No Refinances	\$1,457.09	\$608.63	\$1,179.26	\$580.63
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	3.00%	53.03%	10.44%	40.67%
Average Refinances per Borrower	4.89	5.45	5.18	4.86
Amount Repaid with Ave. Refinances	\$6,140.97	\$1,200.54	\$4,694.79	\$972.16
Refinances as Percent of Total Number of Loan Transactions	11%	60%	32%	61%

Overall Market Volume Continues Decline; Installment Loans Generate High Fees

The total value of new loans, fees, and refinances decreased by 26% from 2016 to 2017. During that same period, the dollar value of new loans fell by 14%, refinances fell by 36%, and fees decreased by 24%. There was a 31% decrease in the number of vehicle repossessions by auto title lenders, and the repossession rate fell from 14% of auto title borrowers losing a car in 2016 to 11% in 2017. The proportion of the dollar amount of new loans and fees distributed among single payment and installment loans remained relatively stable from 2016 to 2017. Installment lending continues to dominate the market, generating 80% of the fees collected in 2017.

