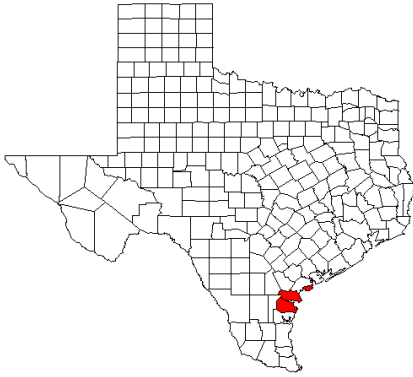


Payday and Auto Title Lending in Texas

Corpus Christi MSA 2018

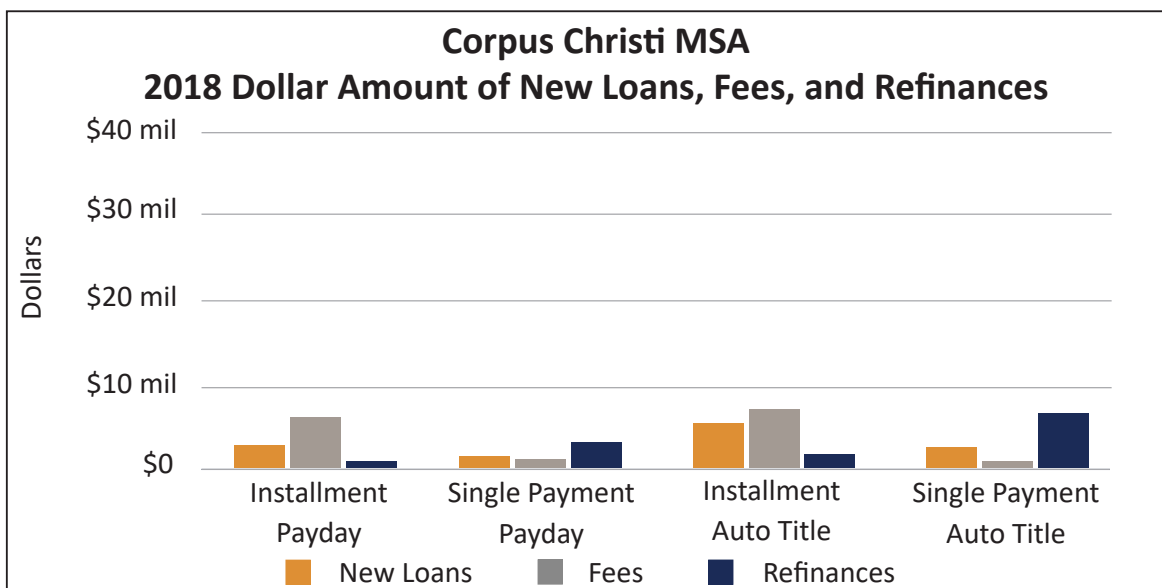


- **Store Locations:** 52
- **New Loans:** \$12,672,488
- **Fee Charges:** \$15,307,844
- **Refinances:** \$12,885,129
- **Repossessions (Auto Title):** 613 or 12 cars per week
- **Repossession Rate:** 14% of borrowers had car repossessed

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 66% of single payment loan transactions.
- Installment loan borrowers paid a total of \$12,981,978 in fees for \$8,279,959 in new loans, an average of \$157 in fees for every \$100 borrowed.
- Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$580 to \$1,446. 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 195% to 568% (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)	167	18	154	30
Average Fees per \$100	\$184.55	\$21.21	\$111.70	\$15.19
Ave. Annual Percentage Rate (APR)	568%	440%	407%	195%
Amount Repaid with No Refinances	\$1,445.60	\$608.56	\$1,079.55	\$580.06
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	3.58%	53.55%	6.71%	48.42%
Average Refinances per Borrower	4.11	5.70	6.40	4.08
Amount Repaid with Ave. Refinances	\$5,334.69	\$1,227.74	\$4,790.91	\$906.60
Refinances as Percent of Total Number of Loan Transactions	11%	64%	27%	69%

Market Volume increased, with Rise in Installment Auto Title Lending

The total value of new loans, fees, and refinances increased by 15% from 2017 to 2018. During that same period, the dollar value of new loans rose by 20%, refinances increased by 8%, and fees rose by 18%. There was a 51% increase in the number of vehicle repossessions by auto title lenders, and the repossession rate increased back to its 2016 rate of 14% of auto title borrowers losing a car, from a low of 11% in 2017. Installment lending continued to dominate the market, generating 84% of the fees collected in 2018.

