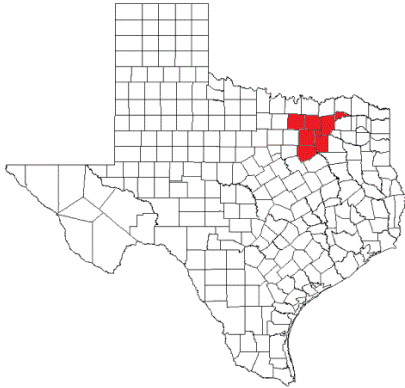


Payday and Auto Title Lending in Texas

Dallas MD 2019

Dallas-Plano-Irving Metropolitan Division

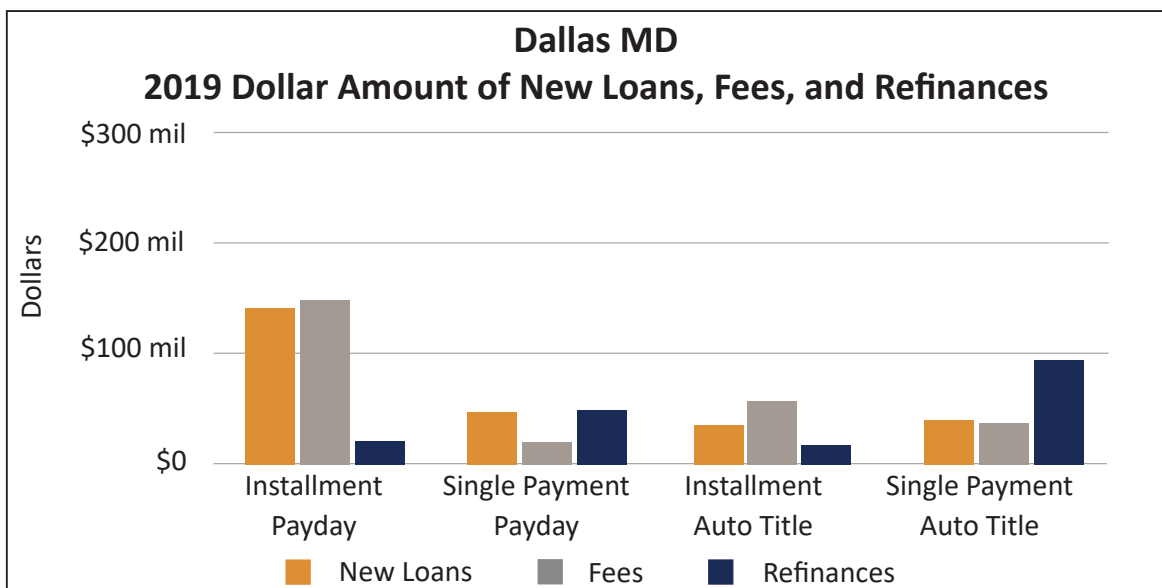


- **Store Locations:** 271
- **New Loans:** \$265,472,298
- **Fee Charges:** \$264,296,515
- **Refinances:** \$182,383,237
- **Repossessions (Auto Title):** 8,684 or 167 cars per week
- **Repossession Rate:** 22% of borrowers had car repossessed

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 Dallas MD, refinances make up 50% of single payment loan transactions.
- Installment loan borrowers paid a total of \$206,599,365 in fees for \$177,291,681 in new loans, an average of \$117 in fees for every \$100 lent.
- Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$576 to \$1,096. 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 Dallas MD range from 184% to 490% (see table on back).



Payday and Auto Title Lending in Texas

Dallas MD 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)	137	17	155	30
Average Fees per \$100	\$114.59	\$22.36	\$114.87	\$14.30
Ave. Annual Percentage Rate (APR)	454%	490%	417%	184%
Amount Repaid with No Refinances	\$1,091.79	\$614.20	\$1,095.66	\$575.63
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	2.21%	31.49%	9.43%	47.63%
Average Refinances per Borrower	4.23	6.01	5.13	5.28
Amount Repaid with Ave. Refinances	\$3,593.08	\$1,300.30	\$4,149.41	\$974.76
Refinances as Percent of Total Number of Loan Transactions	6%	45%	29%	61%

Overall Market Volume Declines; Increase in Auto Repossessions

The total value of new loans, fees, and refinances decreased by 10% from 2018 to 2019. During that same period, the dollar value of new loans decreased by 8%, refinances fell by 26%, and fees increased by 2%. There was a 4% increase in the number of vehicle repossessions by auto title lenders and an increase in the repossession rate from 20% of auto title borrowers losing a car in 2018 to 22% in 2019. Installment payday and auto title lending continue to dominate fee charges, making up 78% of total fees collected in 2019.

