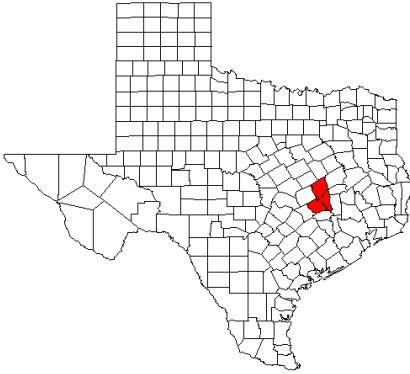


# Payday and Auto Title Lending in Texas

## College Station MSA 2016

Bryan-College Station

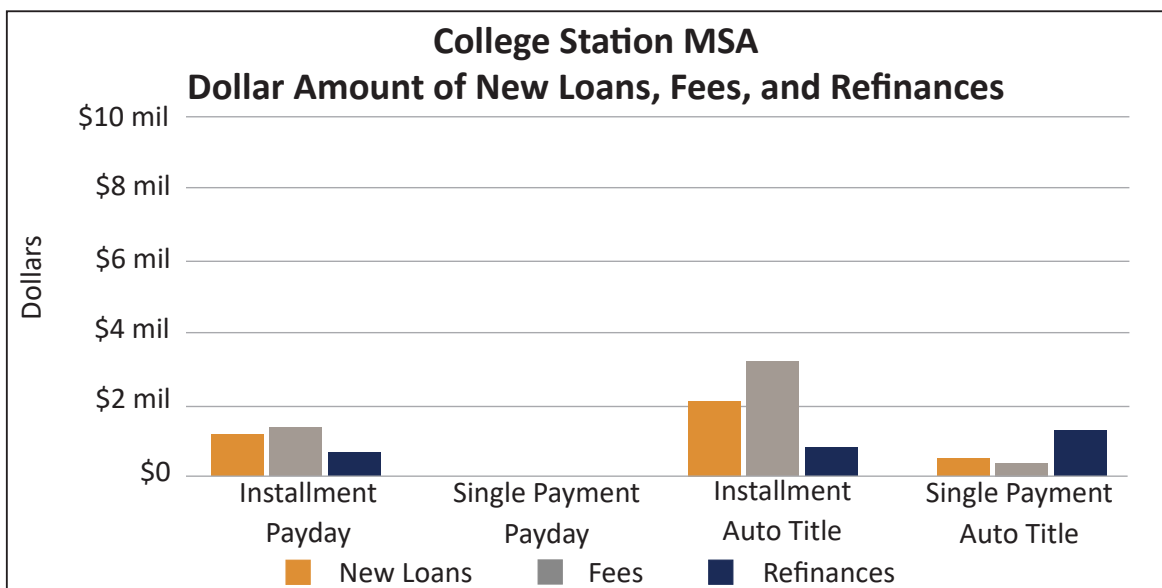


- **Store Locations:** 15
- **New Loans:** \$3,734,327
- **Fee Charges:** \$4,890,649
- **Refinances:** \$2,714,780
- **Repossessions (Auto Title):** 70 or 2 cars per week
- **Repossession Rate:** 4% of borrowers had car repossessed

### 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 College Station MSA, refinances make up 54% of single payment loan transactions.**
- **On average, installment borrowers paid \$240 for every \$100 borrowed.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$629 to \$1,335. 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 College Station MSA range from 314% to 556% (see table on back).



# Payday and Auto Title Lending in Texas

## College Station 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)	154	-	162	30
Average Fees per \$100	\$162.85	-	\$104.78	\$24.95
Ave. Annual Percentage Rate (APR)	556%	-	356%	314%
Amount Repaid with No Refinances	<b>\$1,335.29</b>	-	<b>\$1,046.11</b>	<b>\$628.86</b>
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	0.82%	-	10.32%	66.97%
Average Refinances per Borrower	-	-	5.27	3.01
Amount Repaid with Ave. Refinances	-	-	<b>\$3,924.21</b>	<b>\$1,016.30</b>
Refinances as Percent of Total Number of Loan Transactions	13%	-	28%	54%

\*Where fewer than four quarters of data are available, all averages reflect the average of quarters with available data.

## Installment Auto Title Lending Continues to Grow in Local Market

The total dollar value of new loans, fees, and refinances increased by 21% from 2015 to 2016. During the same time period, new loans increased by 6%, fees increased by 13% and refinances jumped by 78%. Installment auto title lending saw the highest rates of growth compared to other products in the market. From 2015 to 2016, the dollar value of new installment auto title loans increased by 61%, fees increased by 60% and refinances by 154%. The number of vehicles repossessed by auto title lenders increased from 43 in 2015 to 70 in 2016. Despite the increase, the repossession rate remained the lowest compared to other Texas regions with data reported, at 4% of all auto title borrowers.

