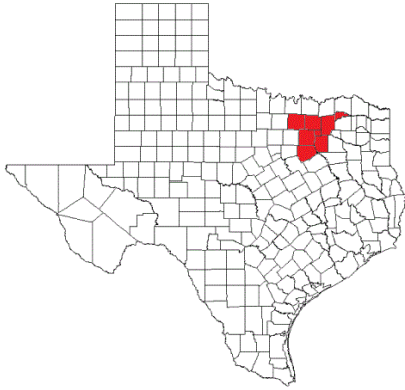


Payday and Auto Title Lending in Texas

Dallas MD 2016

Dallas-Plano-Irving Metropolitan Division

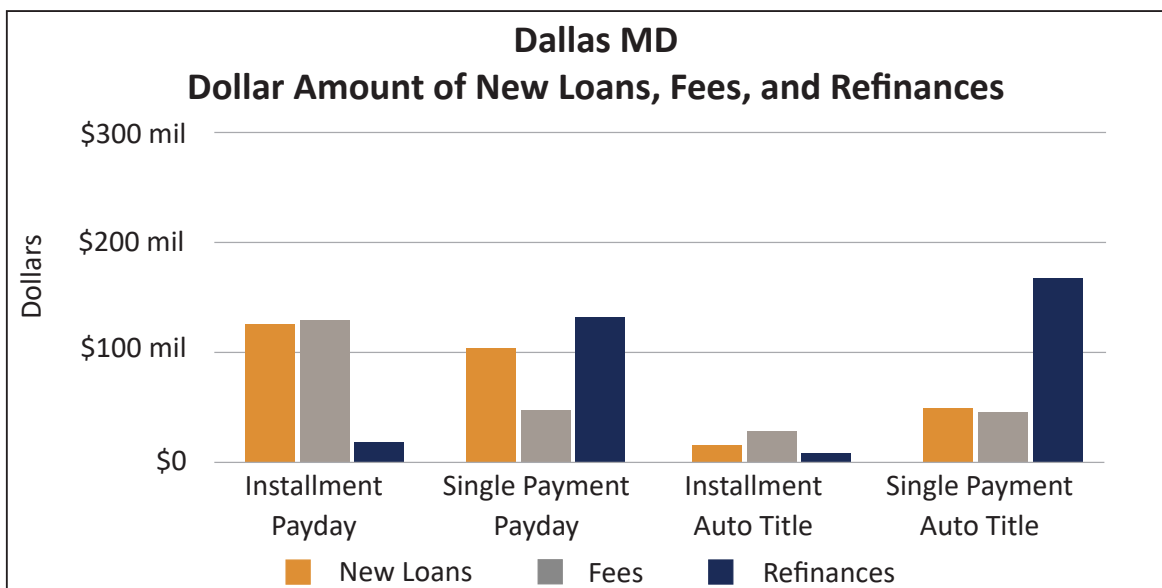


- **Store Locations:** 306
- **New Loans:** \$296,071,907
- **Fee Charges:** \$251,451,332
- **Refinances:** \$327,837,159
- **Repossessions (Auto Title):** 6,691 or 129 cars per week
- **Repossession Rate:** 18% of borrowers had car repossessed

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 56% of single payment loan transactions.
- On average, installment borrowers paid \$211 for every \$100 borrowed.
- Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$582 to \$1,151. 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 199% to 506% (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)	147	17	161	30
Average Fees per \$100	\$126.18	\$23.12	\$104.82	\$15.58
Ave. Annual Percentage Rate (APR)	450%	506%	356%	199%
Amount Repaid with No Refinances	\$1,151.06	\$617.91	\$1,046.10	\$581.96
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	2.84%	45.72%	11.04%	50.06%
Average Refinances per Borrower	3.79	5.45	4.37	6.48
Amount Repaid with Ave. Refinances	\$3,620.88	\$1,260.91	\$3,430.01	\$1,112.77
Refinances as Percent of Total Number of Loan Transactions	7%	52%	30%	72%

Overall Market Declines; Some Growth in Installment Auto Title Lending

The total dollar value of new loans, fees, and refinances decreased by 13% from 2015 to 2016. During the same time period, new loans decreased by 12%, fees decreased by 8% and refinances fell by 16%. The number of vehicles repossessed by auto title lenders decreased by 6%. Despite the decline in the numbers of vehicles repossessed, 18% auto title borrowers lost their car, one of the highest repossession rates among Texas regions with reported data. The market continued to shift towards installment lending. Installment payday and auto title lending made up 27% of the total dollars lent and 62% of total fees in 2016, compared to 23% of dollars lent and 58% of fees in 2015, with particular growth in installment auto title lending.

