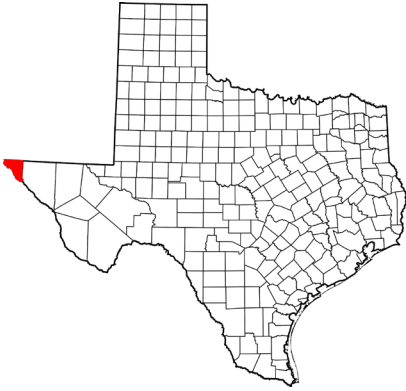


# Payday and Auto Title Lending in Texas

## El Paso MSA 2013

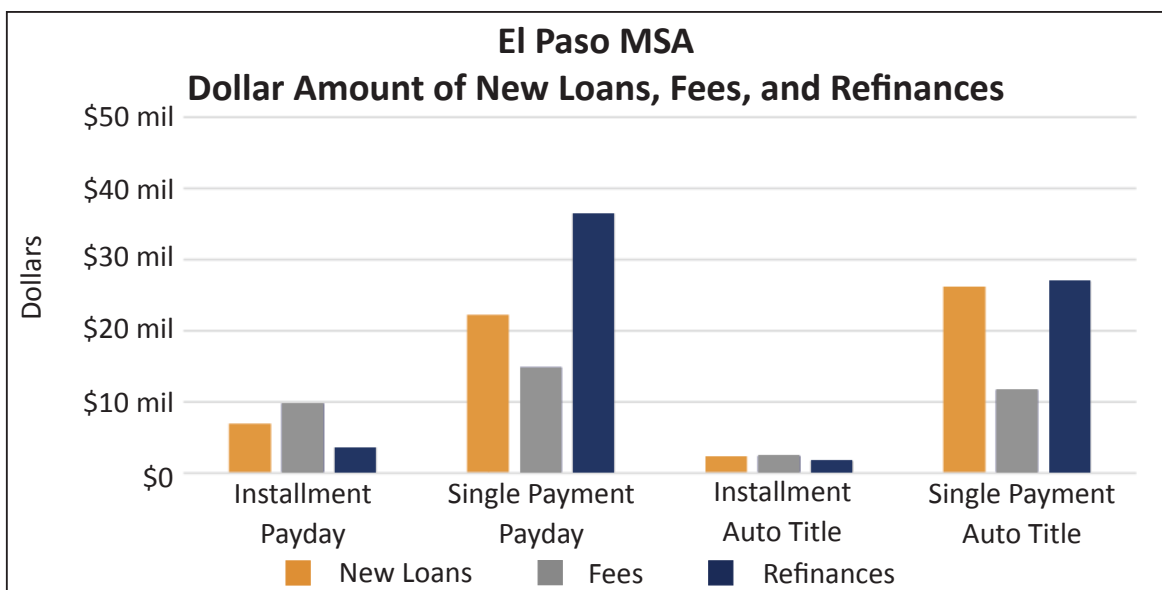


- **Store Locations:** 152
- **New Loans:** \$57,813,533
- **Fee Charges:** \$38,855,047
- **Refinances:** \$68,728,921
- **Repossessions (Auto Title):** 1,203—23 cars per week
- **Repossession Rate:** 7% of borrowers had car repossessed

### Refinances and High Fees 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.

- **In the El Paso MSA, refinances make up 56% of single payment loan transactions.**
- **On average, installment borrowers paid \$1.30 in fees for every dollar borrowed.**  
The dollar amount of fees for all installment loans increased by 27% from 2012 to 2013.
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$603 to \$1,180. 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 El Paso MSA range from 242% to 493% (see table on back).



# Payday and Auto Title Lending in Texas

## El Paso 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)	110	17	220	31
Average Fees per \$100	\$85.46	\$22.52	\$130.03	\$19.69
Ave. Annual Percentage Rate (APR)	435%	493%	325%	242%
Amount Repaid with No Refinances	\$942.41	\$614.89	\$1,180.20	\$602.76
Percent of Borrowers Who Refinance (Ave. of Quarterly Rates)	36.06%	52.14%	14.05%	39.89%
Average Refinances per Borrower	1.42	4.74	4.47	4.97
Amount Repaid with Ave. Refinances	\$1,571.24	\$1,159.75	\$4,220.62	\$1,113.54

## New Trend: Installment Payday Loans

Installment payday loans made up 9% of dollars lent for all types of loans in 2013, but 25% of total fees, indicating that this product is a huge fee driver. Depending on the loan terms, **fees for one installment loan are often the same as the fees charged for 5 to 12 single payment loan transactions.**

