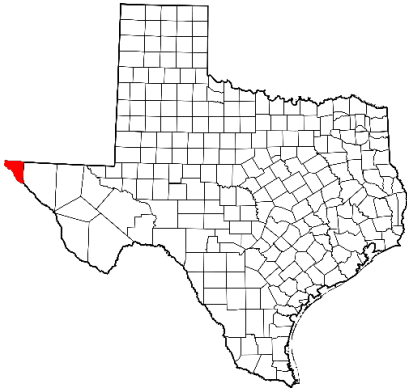


Payday and Auto Title Lending in Texas

El Paso MSA 2018

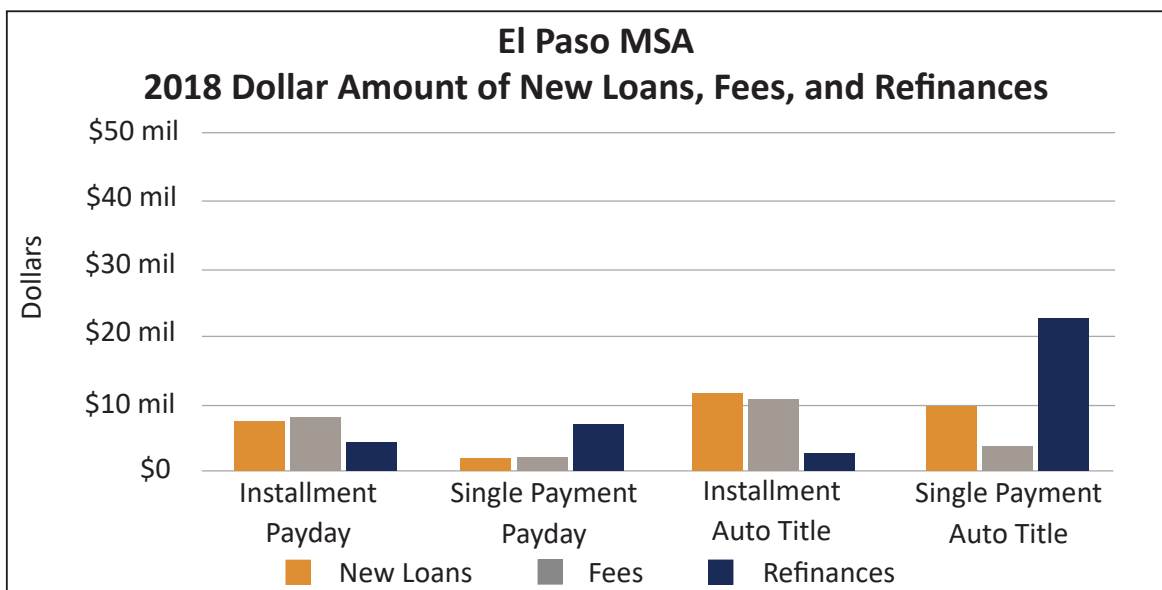


- **Store Locations:** 65
- **New Loans:** \$30,180,308
- **Fee Charges:** \$24,074,334
- **Refinances:** \$36,335,699
- **Repossessions (Auto Title):** 1,597 or 31 cars per week
- **Repossession Rate:** 16% of borrowers had car repossessed

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.

- **In the El Paso MSA, refinances make up 65% of single payment loan transactions.**
- **Installment loan borrowers paid a total of \$18,465,223 in fees for \$18,856,981 in new loans, an average of \$98 in fees for every \$100 borrowed.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$577 to \$976. 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 186% to 551% (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)	101	17	152	30
Average Fees per \$100	\$64.08	\$25.19	\$91.03	\$14.44
Ave. Annual Percentage Rate (APR)	383%	551%	344%	186%
Amount Repaid with No Refinances	\$834.30	\$628.36	\$975.95	\$576.32
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	8.95%	53.30%	2.54%	50.73%
Average Refinances per Borrower	3.86	4.71	12.15	2.79
Amount Repaid with Ave. Refinances	\$2,123.45	\$1,233.21	\$6,759.54	\$789.18
Refinances as Percent of Total Number of Loan Transactions	16%	60%	20%	69%

Market Volume Increased, with Growth in Installment Payday and Auto Title Lending

The total value of new loans, fees, and refinances increased by 11% from 2017 to 2018. During that same period, the dollar value of new loans increased by 28%, refinances fell by 6%, and fees increased by 22%. There was a 42% increase in the number of vehicle repossessions by auto title lenders, and the repossession rate increased from 14% of auto title borrowers losing a car to repossession in 2017 to 16% in 2018. Installment payday and auto title lending continued to dominate fee charges, making up 38% of the total dollars lent in 2018 and 77% of the total fees collected.

