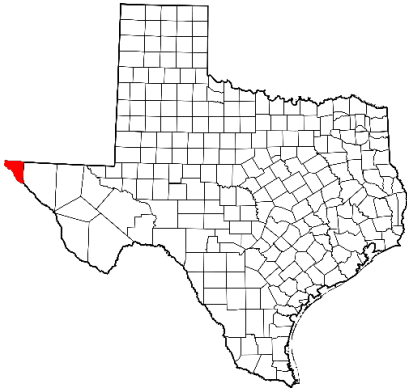


Payday and Auto Title Lending in Texas

El Paso MSA 2019

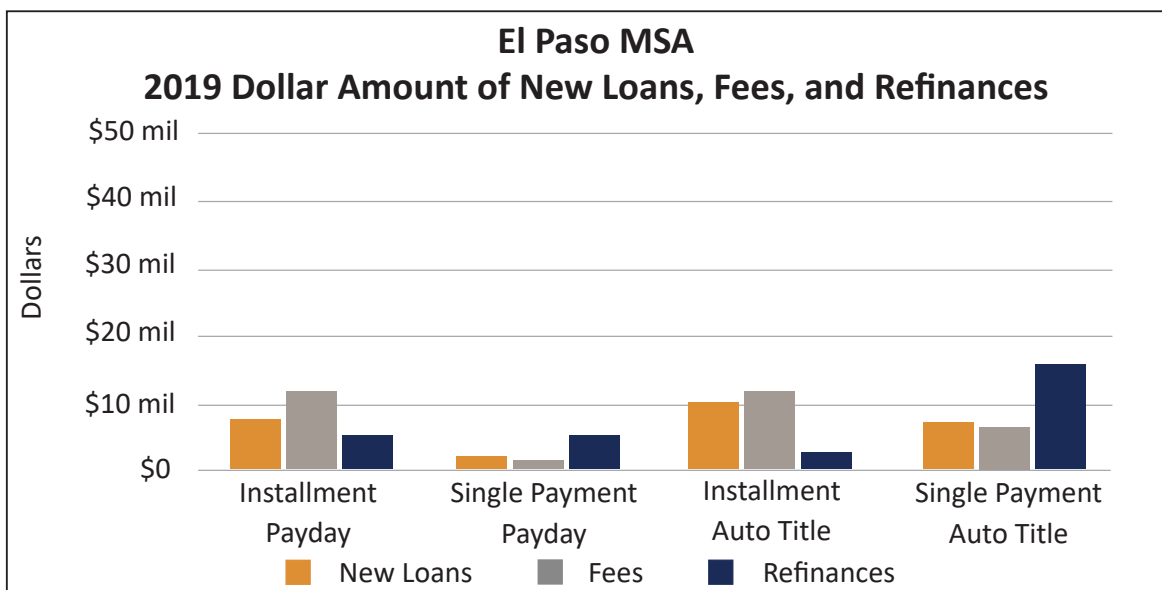


- **Store Locations:** 66
- **New Loans:** \$25,894,123
- **Fee Charges:** \$30,518,983
- **Refinances:** \$27,962,590
- **Repossessions (Auto Title):** 1,720 or 33 cars per week
- **Repossession Rate:** 18% of borrowers had car repossessed

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.

- **In the El Paso MSA, refinances make up 63% of single payment loan transactions.**
- **Installment loan borrowers paid a total of \$23,060,712 in fees for \$17,192,600 in new loans, an average of \$134 in fees for every \$100 lent.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$577 to \$1,244. 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 611% (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)	130	23	152	30
Average Fees per \$100	\$145.17	\$25.35	\$96.22	\$14.44
Ave. Annual Percentage Rate (APR)	611%	412%	360%	186%
Amount Repaid with No Refinances	\$1,243.68	\$629.92	\$1,001.95	\$576.32
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	13.10%	23.53%	3.38%	45.26%
Average Refinances per Borrower	3.72	12.49	9.57	5.17
Amount Repaid with Ave. Refinances	\$4,011.81	\$2,252.42	\$5,805.88	\$970.97
Refinances as Percent of Total Number of Loan Transactions	24%	65%	22%	60%

Fees Surge Due To Increasing Charges for Installment Payday and Auto Title Loans

The total value of new loans, fees, and refinances decreased by 7% from 2018 to 2019. During that same period, the dollar value of new loans decreased by 14%, refinances fell by 23%, and fees increased by 27%. There was an 8% increase in the number of vehicle repossessions by auto title lenders, and the repossession rate increased from 16% of auto title borrowers losing a car to repossession in 2018 to 18% in 2019. Installment payday and auto title lending continue to dominate fee charges, making up 46% of the total value of dollars lent in new loans and refinances in 2019 and 76% of the total fees collected.

