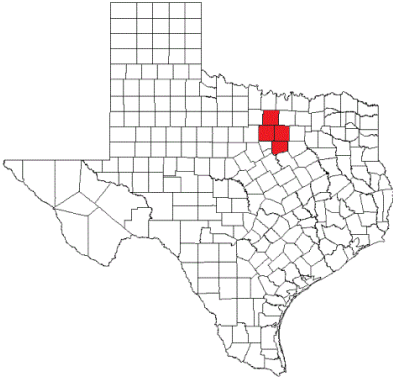


# Payday and Auto Title Lending in Texas

## Fort Worth MD 2017

Fort Worth-Arlington Metropolitan Division

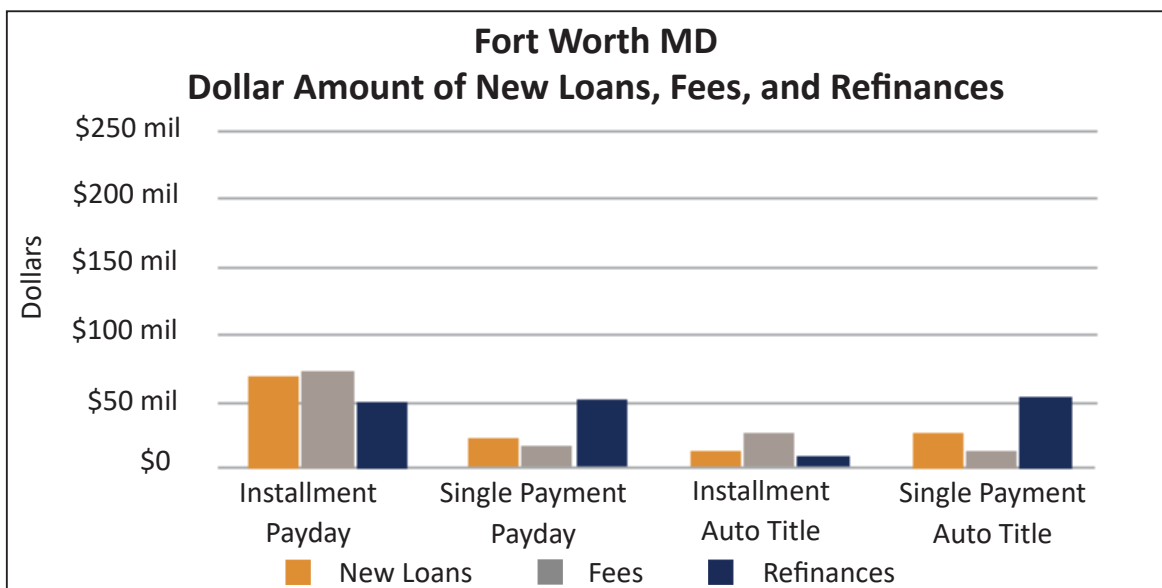


- **Store Locations:** 178
- **New Loans:** \$121,064,306
- **Fee Charges:** \$119,393,772
- **Refinances:** \$152,062,310
- **Repossessions (Auto Title):** 3,165 or 61 cars per week
- **Repossession Rate:** 16% of borrowers had car repossessed

### 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. **Fees for one installment loan are often the same as fees charged for 5 to 12 single payment loans.**

- **In the Fort Worth MD, refinances make up 64% of single payment loan transactions.**
- **On average, installment borrowers paid \$221 for every \$100 borrowed.**
- **Across all four loan types, the average cost to repay a \$500 loan with no refinances is \$581 to \$1,179. 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 Fort Worth MD range from 203% to 533% (see table on back).



# Payday and Auto Title Lending in Texas

## Fort Worth 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)	152	17	159	29
Average Fees per \$100	\$100.16	\$24.38	\$131.37	\$15.33
Ave. Annual Percentage Rate (APR)	372%	533%	466%	203%
Amount Repaid with No Refinances	<b>\$1,021.62</b>	<b>\$624.23</b>	<b>\$1,178.68</b>	<b>\$580.60</b>
Ave. % of Borrowers Who Refinance in Same Quarter They Take Out a Loan	7.55%	54.44%	13.77%	44.25%
Average Refinances per Borrower	7.04	5.93	4.61	5.98
Amount Repaid with Ave. Refinances	<b>\$4,691.73</b>	<b>\$1,361.15</b>	<b>\$4,307.53</b>	<b>\$1,062.94</b>
Refinances as Percent of Total Number of Loan Transactions	29%	64%	34%	65%

## Overall Market Volume Declines; Continued Increase in Installment Lending

The total value of new loans, fees, and refinances decreased 18% from 2016 to 2017. During that same period, the dollar value of new loans decreased by 7%, refinances fell by 28%, and fees fell by 13%. There was an 18% decrease in the number of vehicle repossessions by auto title lenders, and the repossession rate fell from 19% auto title borrowers losing a car to repossession in 2016 to 16% in 2017. Installment Payday lending dominated the dollar value of new loans, making up 41% of the market in 2017. The new loan volume by loan product stayed relatively consistent from 2016 to 2017, but there was an uptick in fees collected for installment auto title loans, from 13% of all fees collected in 2016 to 19% in 2017.

