

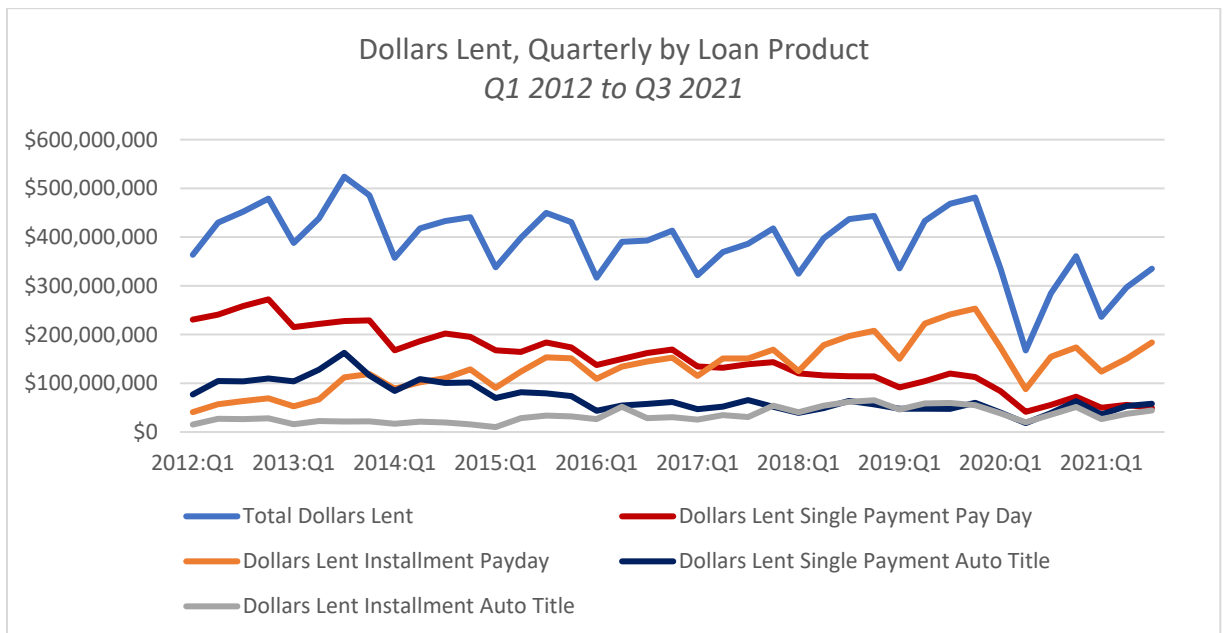
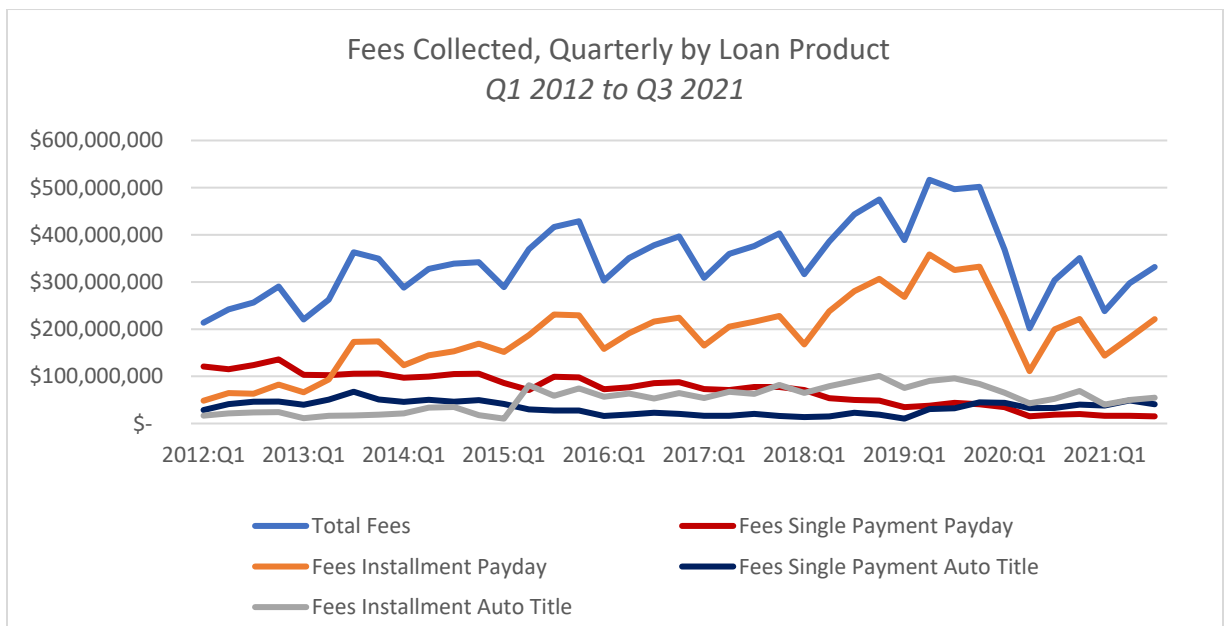


DATA OVERVIEW: Payday and Auto Title Lending in Texas, First Quarter 2012-Third Quarter 2021

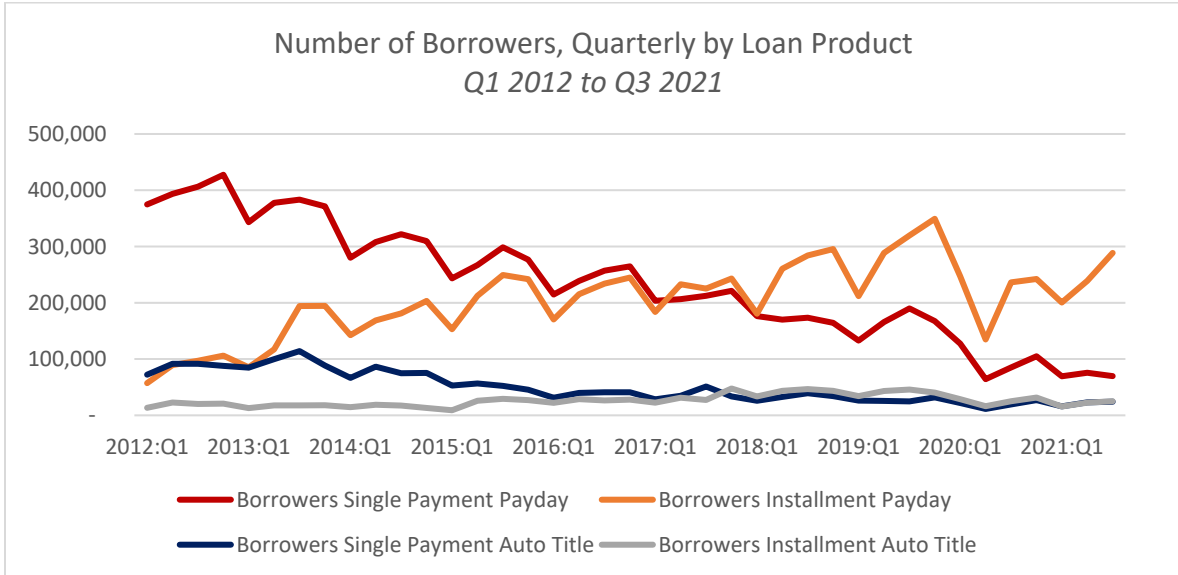
December 7, 2021

The following four charts provide a picture of payday and auto title lending in Texas, looking at [quarterly data](#) collected by the Texas Office of Consumer Credit Commissioner from the first quarter in 2012 to the third quarter of 2021. The charts show the following trends:

1. **Before 2020 and the pandemic impacts on the payday and auto title loan market, fees were increasing while loans amounts were falling, meaning higher costs for Texas borrowers.** There was a dip in both loans and fees in the second quarter of 2020, but they have maintained the same trend over time with higher fees collected for fewer dollars lent.



2. **Installment payday and auto title loans dominate the market. Sometimes billed as short-term loans, these loans have not been short-term since 2012, when loan data was first collected.** They average five to six months for the initial loan term, and with refinances, reach one year or more. APRs average 400% to 500%. The charts above show that installment payday loans now dominate dollars lent and fees. The chart below shows the number of borrowers by quarter and supports the same trend.



3. **Car repossessions by auto title lenders skyrocketed in the second quarter of 2021.** In the first quarter of 2020 repossessions reached a record high of 13,113. Despite declining loan volumes, repossessions in the second quarter of 2021 were just under the record high, at 12,627.

