

AUTO TITLE LOAN—MULTI-PAYMENT



You Can Lose Your Car

If you miss a payment or make a late payment, your car can be repossessed.

After reviewing the terms of the loan, you are not required to choose this loan, and may consider other borrowing options, including those shown on Page 2 of this document.

Borrowed Amount	\$ 500.00
Interest	\$ 22.83
<small>Contract Rate: 10%</small>	
Fees	\$ 408.00
<small>Includes a one-time \$33 certificate of title fee.</small>	
Payment Amount	<u>Payments #1— #10</u> \$ 93.08
	<u>Payment #11</u> \$ 0.00
Payback Amount	\$ 930.83

How much will an 11-payment, bi-weekly \$500 auto title loan cost?

Payment Number	Due After	Accumulated Interest & Fees	If Paid in Full...
			Total Paid Principal + Accumulated Interest & Fees
1	2 Weeks	\$ 411.78	\$ 911.78
2	1 Month	\$ 415.57	\$ 915.57
4	2 Months	\$ 421.65	\$ 921.65
6	3 Months	\$ 426.23	\$ 926.23
8	4 Months	\$ 429.29	\$ 929.29
10	5 Months	\$ 430.83	\$ 930.83
11 (22 Wks)	Final Payment	\$ 430.83	\$ 930.83

*Payment amounts are approximated.

The loan information shown here is an example and may not reflect the actual fees and interest charged to a loan provided by the lender or credit access business.

How Long Could It Take to Repay a Loan?

Of 10 people who take out a new auto title loan...



2.7 people will not renew their title loans



2.4 people will renew the loan 1 or 2 times



1.3 people will renew the loan 3 or 4 times



3.6 people will renew the loan 5 or more times

Adapted from: Tennessee Department of Financial Institutions, "The 2010 Report on the Title Pledge Industry", (Mar. 2010). Data based upon title pledge agreements with a single-payment term; repayment patterns may vary.

Ask Yourself...

- ◆ Is it necessary for me to borrow the money?
- ◆ Can I afford to pay this loan back in full by the due date?
- ◆ Will I be able to pay my regular bills and repay this loan?
- ◆ Can I afford the extra charges, interest, and fees that may be applied if I miss or fail to make payment?
- ◆ Are other credit options available to me at this time?



OFFICIAL STATE OF TEXAS NOTICE: This consumer disclosure has been provided in accordance with Section 393.223 of the TEXAS FINANCE CODE.

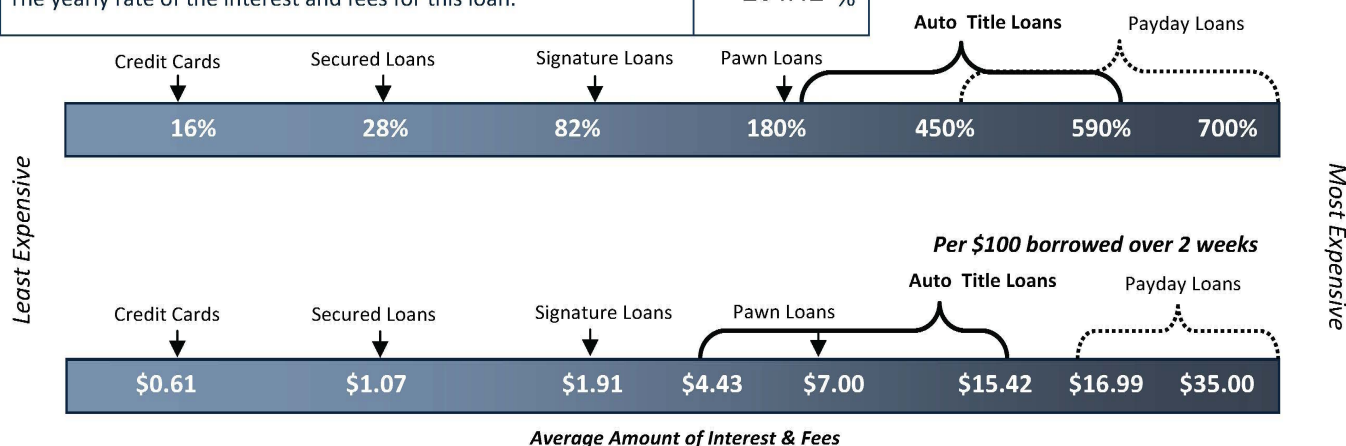
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How Does an Auto Title Loan Compare to Other Options?

CASH ADVANCE / BORROWED AMOUNT	\$ 500.00
INTEREST PAYMENT The amount you will pay in interest for the loan.	\$ 22.83
TOTAL OF FEES The amount you will pay in fees for this loan.	\$ 408.00
TOTAL OF PAYMENTS (11-PAYMENT, BI-WEEKLY LOAN) The amount you will pay if you repay the loan on time.	\$ 930.83
ANNUAL PERCENTAGE RATE (APR) The yearly rate of the interest and fees for this loan.	264.12 %

Loan Calculation & Cost Comparison



Auto title loans are cash advances provided to a borrower to meet financial needs. As a borrower, you will be required to use your car as collateral for the loan. You will be required to sign a loan agreement that tells you the amount you have requested to borrow, the annual percentage rate (APR) for that loan, the amount of interest and fees that may be charged for that loan, and the payment terms of the loan. Auto title loans may be one of the more expensive borrowing options available to you. Auto title loans may also be referred to as car title loans, title loans, or title pledges.

Complaint or Concern?

If you would like to file a concern or complaint regarding an auto title loan, contact the

**Office of
Consumer Credit
Commissioner
800-538-1579**

Looking for Information on
**Budgeting, Personal
Savings, Credit Card
Management, or other
personal money
management skills?**

**Visit the OCCC's Financial
Literacy Resource Page**

[http://www.occc.state.tx.us/
pages/consumer/education/
Financial_Literacy_Resources.html](http://www.occc.state.tx.us/pages/consumer/education/Financial_Literacy_Resources.html)

Additional Information

- ◆ You may be required to write checks or authorize withdrawals from personal checking accounts to cover payments for the loans.
- ◆ You can compare all loan options available and select the option that is best for you.
- ◆ You can avoid extra fees and loan renewal costs by not missing payments and by repaying loans on time.



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