

2020

California Department of  
Financial Protection and Innovation

# Annual Report of Activity Under Small Dollar Loan Pilot Program

Report Required by Financial Code Section 22380

**PROTECTING CONSUMERS**  
FOSTERING TRUST & INNOVATION

**DFPI**   
DEPARTMENT OF FINANCIAL  
PROTECTION & INNOVATION



DEPARTMENT OF FINANCIAL  
PROTECTION & INNOVATION

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Financial Services

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## EXECUTIVE SUMMARY

The Department of Financial Protection and Innovation protects consumers and fosters trust by regulating companies and individuals offering financial products. The DFPI licenses and regulates finance lenders, brokers, and Property Assessed Clean Energy (PACE) Program Administrators pursuant to the California Financing Law (CFL). The Pilot Program for Increased Access to Responsible Small Dollar Loans (Pilot Program) was designed to increase consumers' access to capital by encouraging more robust small-dollar lending in California. The minimum loan amount is \$300, and the maximum loan amount is \$7,500. Importantly, loans of more than \$2,500 are capped at 36 percent of the borrower's monthly income.

There were 18 approved Pilot Program participants in 2020 and 16 filed annual reports. Importantly, Aura Financial LLC (Aura), which in 2019 represented about 40% of the loans made, did not file a report after the company went into bankruptcy and its license was revoked. Another small pilot participant also failed to file a report.

The law allows participants to use finders, which are individuals or companies helping to bring a licensee and a prospective borrower together for the purpose of negotiating a loan contract. Although not licensed by the Department, finders are subject to regulatory examinations. A total of 65 finders were subject to regulatory examination during 2020. From 2018 to 2020, 19 consumer complaints about the Pilot Program lenders and finders were received. Of the 19 complaints, the most common were disputes related to payments.

DFPI is required to publish information for each specific finder whose services were used by a licensee in connection with the loans or loan application, along with the specific finder's identity. Aura is the only Pilot Program lender who has used finder services. Since Aura failed to file its 2020 annual report to the DFPI, no finder or finder location data is available for 2020.

### Key Findings

The findings for 2020 are based on a limited data collection and do not represent the entire Pilot Program activity. DFPI estimates that the missing Aura data represents about 28% of the decrease in the number of loans made, while the remaining 72% can be explained by a general decrease in pilot program lending activity.

As a result, comparisons to prior year activity have been omitted.

- Pilot Program lenders approved 94,778 loans in 2020.
- The annual total principal amount of loans made in 2020 was \$94 million.
- The number of borrower applications received in 2020 was 242,098.
- The top 2 reasons for borrowing were to purchase goods or services other than a vehicle and to pay bills, as reported by 52 percent of borrowers in 2020.

To learn more about the Increased Access to Responsible Small Dollar Loans Pilot Program, visit the DFPI website at <https://dfpi.ca.gov/about-the-increased-access-to-responsible-small-dollar-loans-pilot-program/>.

## BACKGROUND

In 2010, the Affordable Credit Building Opportunities Pilot Program was enacted and placed under the California Financing Law. The goal was to increase consumers' access to capital by encouraging a more robust small-dollar loan market in California. The program's provisions, which took effect January 1, 2011, applied to consumer loans of \$250 to \$2,499.

To incentivize lenders' participation, borrowers could be charged marginally higher interest rates and larger origination and delinquency fees than permitted for CFL consumer loans of that size made outside the program. A low lender participation rate led to the program's demise. It was replaced in 2013 by the Pilot Program for Increased Access to Responsible Small Dollar Loans. This Pilot Program took effect January 1, 2014, and sunsets January 1, 2028 (Financial Code section 22365 *et seq.*).

Pilot Program lenders may still charge marginally higher interest rates than otherwise permitted under the CFL. The Pilot Program provides underwriting standards, mandatory reporting to credit bureaus, a cap on the share of gross monthly income that can be consumed by the loan payment, a ban on credit insurance, and a ban on requiring borrowers to waive their right to sue as a condition of obtaining a loan.

Pilot Program participants are also permitted to use "finders." Finders are not licensed by the DFPI and cannot provide advice or counseling to borrowers. Finders can distribute lenders' marketing materials, provide factual information about loan terms and conditions, help borrowers with loan applications, and obtain borrowers' signatures on documents. The finder may be paid \$2 per payment received on the borrower's behalf for the loan's duration. The fees are paid by lenders, cannot be based on the principal amount of the loans, and cannot be passed on to borrowers.

In 2018, Assembly Bill 237 introduced the following changes to the Pilot Program, effective on January 1, 2019:

- Increasing the maximum loan amount from \$2,499 to \$7,500 and establishing a debt-to-income cap of 36 percent of the borrower's monthly income for a loan greater than \$2,500.
- Requiring the DFPI to examine each finder used by a Pilot Program licensee at least once every 24 months.
- Authorizing DFPI to charge a Pilot Program licensee that uses one or more finders a fee to offset the costs of the finder examinations.
- Increasing Pilot Program licensees' reporting requirements to include specific information on each finder whose services were used.
- Requiring program licensees to perform reasonable background checks on their finders.
- Requiring program licensees to reduce the interest rates on loans made to borrowers who obtain subsequent loans and meet certain requirements.

The DFPI is required to post a report every year on its internet website summarizing utilization of its Pilot Program pursuant to Financial Code section 22380. This report and prior years' reports can be found on the DFPI's website at <https://dfpi.ca.gov/california-financing-law-publications/>.

## LENDER PARTICIPATION AND ACTIVITY

This report summarizes loan activity in the Pilot Program for the period January 1, 2018 through December 31, 2020. The full licensing data is provided in the Appendix.

### Pilot Program Participation

From 2018 through 2020, the DFPI received 12 applications for CFL lenders to participate in the Pilot Program, and 7 applications were approved during this period. During 2020, a total of 18 lenders participated in the Pilot Program.

In 2018, 109 finders were approved, operating from 616 finder locations. In 2019, a total of 182 finders were approved, operating from 722 finder locations. As a result of Aura's exit from the Pilot Program at the end of 2020, the numbers of approved finders and finder locations decreased in 2020. Currently, there are no approved finders in the Pilot Program.

**Table 1: Lender Applications and Approvals**

	2018	2019	2020
Application as of January 1	5	3	8
Applications received	1	9	2
Applications approved	1	3	3
Applications denied	2	1	0
Applications voluntarily withdrawn	0	0	4
Year-end applications pending	3	8	3
CFL license surrendered	1	0	1
CFL license revoked	0	1	0
Withdrawal from Pilot Program	0	0	2
Total participants at year-end	16	18	18

## Pilot Program Lending Activity Highlights

The following categories are highlights from the 2020 annual report:

- Loan Size – Of the 94,778 loans made in 2020, 5 percent of the loans made were in the range between \$300 to \$499; **54 percent were in the range between \$500 to \$999**; 18 percent were in the range between \$1,000 to \$1,499; 23 percent were in in the range between \$1,500 to \$2,499; and less than 1 percent in the range between \$2,500 to \$7,499.
- Annual Percentage Rates – **In 2020, for the loans in the \$300 to \$499 range, 63 percent carried an annual percentage rate (APR) of 50 or more.** In the other loan ranges, the percentage of loans charged an APR of 50 or more are: 35 percent of the loans made in the \$500 to \$999 range, 17 percent of the loans made in the \$1,000 to \$1,499 range, and less than 1 percent of the loans made in the ranges between \$1,500 to \$7,499.
- Delinquencies – The total number of loans outstanding as of December 31, 2020 was 78,996. Of the 78,996 loans, **22 percent were delinquent for 7 to 29 days**, 7 percent were delinquent for 30 to 59 days, and 4 percent were delinquent for 60 days or more.
- Multiple Loans – The total number of borrowers who obtained more than one loan in 2020 was 7,087, representing 8 percent of total loans made in 2020.
- Loan Term – Of the 94,778 loans made in 2020, **74 percent were for 360 days or more**; 7 percent were for 270 days to 359 days; and 19 percent were for 180 days to 269 days.
- Borrower Income – Of the 94,778 loans made in 2020, 13 percent were to borrowers with income less than \$20,000; **65 percent were to borrowers with income between \$20,000 to \$44,999**; 22 percent were to borrowers with income between \$45,000 to \$139,000, and less than one percent of the loans were made to borrowers with income \$140,000 and above.
- Loan Purpose – In 2020, **32 percent of the borrowers took out loans to purchase goods or services other than a vehicle**; 20 percent to pay bills; 12 percent for medical and other emergency; 11 percent to build or repair credit; 8 percent to consolidate debt; 5 percent for vehicle repair; 4 percent for vehicle purchases; less than 1 percent for purposes other than personal or household; and 7 percent for other unspecified reasons.

## VIOLATIONS FOUND DURING EXAMINATIONS

The information provided in this section was obtained from regulatory examinations the DFPI conducted of finance lenders who participated in the Pilot Program from January 1, 2018 through December 31, 2020. These examinations were conducted under the authority of Financial Code section 22380(d) and its predecessor statute.

The purpose of regulatory examinations is to obtain information about whether lenders and finders who participate in the Pilot Program have complied with the program's regulations. Over the three-year period, the DFPI conducted 15 regulatory examinations of 18 lenders who participated in the Pilot Program. Total number of lenders that were subject to regulatory examination were nine in 2018, three in 2019, and three in 2020. Finder violations are attributed to Pilot Program lenders. The increase in the number of violations in 2020 was due to the increase in the number of finders examined.

**Table 2: Number and Type of Violations (Lender)**

Violation Description	CFL Section	2018	2019	2020
Net worth deficiency	22104	0	1	0
Current officers list not maintained; Investigation of person responsible	22105 & 1406 CCR	1	2	2
Other business activity not approved	22154	0	1	0
Documents not provided for examination	22156, 22376, 22377	0	0	3
Licensing authority not disclosed on advertisement	22161 & 1550 CCR	0	0	1
Borrower disclosures did not contain accurate information	22161	0	4	14
Advertisement misleading and/or not preapproved	22161	0	0	3
Inaccurate data provided in CFL RSDL Annual Report	22170(a)	0	0	6
ACH and disallowed fees charged on loans with a bona fide principal amount of less than \$5,000	22200, 22201, 22202, 22303, 22304, 22307	0	1	2
Loans charged interest over the maximum allowed	22308, 22352(b), 22370(b)	0	1	0
Loan documents contained blank spaces	22333	0	1	0
Borrowers charged delinquency fees exceeding the maximum allowed	22352(e) & 222370(f)	0	2	2
Administrative fee overcharge for refinanced loans	22370(c)(3) & 22370(c)(4)	1	0	0
Borrowers not asked about outstanding payday loans	22370(f)(4)(B), 22370(i)(4)(A)	0	0	1
Borrower not asked about other debt obligations	22370(i)(4)(B)(i)	0	0	1
Borrower's payment history not provided to credit reporting agency	22370(i)(2)	0	1	0
Borrowers not provided with credit reporting agency information	22370(i)(3)	0	2	0
Loans made to borrowers who did not have the ability to repay the loan	22370(i)(4)	0	3	0
Finder location not registered	22371	0	1	0



In 2020, the DFPI also conducted regulatory examinations of 65 finders and visited 105 finder locations who participated in the Pilot Program. No finders were disqualified or barred from performing services. No written agreements between a finder and licensee were terminated, and no administrative penalties were imposed.

**Table 3: Number and Type of Violations (Finder)**

<b>Violation Description</b>	<b>CFL Section</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Borrower not provided with loan documents in preferred language	22368	N/A	2	4
Borrower not asked about outstanding payday loans	22370(i)(4)(B)(ii)	N/A	1	0
Finder services not performed at registered physical locations	22372	N/A	0	1
Borrower not provided with complete disbursement and/or payment receipts	22372(b)(1) & (2)	N/A	2	12
Disbursement and payment records not maintained	22372(b)(2)(D)	N/A	0	1
Borrower provided with loan-related marketing materials not approved by lender	22372(c)(2)	N/A	2	0
Bad business practice – Internal controls absent	22372 & 1426 CCR	N/A	0	1
Borrower not provided with written copy of the disclosure notice	22373	N/A	6	11
Fees paid to finder exceeded the maximum allowed	22374	N/A	2	6
Finder doing business without registering with DFPI	22375(a)	N/A	0	1
Current list of registered finder locations not maintained	22375(a)	N/A	1	9
Finder services provided not disclosed in Lender/Finder agreement	22376	N/A	0	2
Undisclosed compensation paid to finder employees	22376	N/A	0	5

## COMPLAINT INFORMATION

There were 19 complaints received by the DFPI about Pilot Program lenders from January 1, 2018 through December 31, 2020. Of the 19 complaints received from 2018 through 2020, two complaints were about finders.

**Table 4: Pilot Program Lender Complaints**

	2018	2019	2020	Totals
Number of Complaints	3	5	11	19

The table below summarizes the issues covered in the complaints. A single complaint can cover multiple issues.

**Table 5: Complaints by Complaint Reason**

	2018	2019	2020	Totals
Administrative dispute	0	0	0	0
Charging excessive interest	0	0	1	1
Identity theft allegation	0	1*	0	1
Mishandled transaction	0	0	1	1
Poor customer service	0	1	1	2
Payment dispute	3	1	6	10
Unauthorized withdrawals	0	1	0	1
Unauthorized credit report inquiry	0	1*	0	1
Unethical behavior tactics	0	0	2	2

\*Consumer complaints about finders.

## RECOMMENDATIONS FOR IMPROVING PROGRAM

The current version of the Pilot Program has been operational only since January 1, 2019.

The DFPI recommends policymakers give the program more time to gather data prior to pursuing additional programmatic changes. The multiple statutory changes enacted since program inception did increase the number of lenders participating in the program, but the total remains less than 20.

The DFPI will continue to consult with licensees, consumer advocates, and policymakers on increasing lender participation and other suggestions.

## APPENDIX

### LICENSING DATA

The information provided in this section was obtained from statutorily required annual reports that participating Pilot Program lenders filed with the DFPI.

Pursuant to Government Code section 6254(d)(2), lender-specific information disclosed in the annual reports is exempt from mandatory disclosure under the California Public Records Act. The data provided in this report represent the aggregate totals for participating lenders.

As of March 15, 2021, two Pilot participants failed to submit their annual reports and finder data was not furnished to the Department. Consequently, the year over year performance of the Pilot Program will be skewed.

**Table 6: Applications and Loans Made Using Finder**

	2018	2019	2020
Number of Applications	263,283	310,153	
Number of Loans	107,342	124,942	<b>NOT</b>
Loans as Percentage of Applications	41%	40%	<b>REPORTED</b>
Total Principal Amount of Loans	\$136,199,421	\$213,669,100	

**Table 7: Applications and Loans Made Without Using Finder**

	2018	2019	2020
Number of Applications	418,187	474,737	242,098
Number of Loans	192,200	197,561	94,778
Loans as Percentage of Applications	46%	42%	39%
Total Principal Amount of Loans	\$193,656,421	\$214,763,498	\$94,015,692

**Table 8: Loans by Loan Term: Using Finder**

Loan Term	2018	2019	2020
90-119 Days	0	0	
120-179 Days	15,959	24,930	<b>NOT</b>
180-269 Days	16,893	13,687	<b>REPORTED</b>
270-359 Days	11,716	10,012	
≥ 360 Days	62,774	76,313	

**Table 9: Loans by Loan Term: Without Using Finder**

Loan Term	2018	2019	2020
90-119 Days	0	53	9
120-179 Days	71	1,607	217
180-269 Days	68,039	67,996	17,667
270-359 Days	28,697	24,208	7,110
≥ 360 Days	95,393	103,697	69,775

**Table 10: Loans \$300-\$499, by APR, Using Finder**

	2018	2019	2020
Up to 14.99%	0	0	
15% - 19.99%	0	0	
20% - 24.99%	0	0	
25% - 29.99%	0	0	<b>NOT</b>
30% - 34.99%	5	176	<b>REPORTED</b>
35% - 39.99%	215	665	
40% - 49.99%	209	4	
50% or more	16,132	4	
Total Loans	16,561	25,233	

**Table 11: Loans \$300-\$499, by APR, Without Using Finder**

	2018	2019	2020
Up to 14.99%	107	0	0
15% - 19.99%	79	0	0
20% - 24.99%	175	0	1
25% - 29.99%	1,020	362	0
30% - 34.99%	26	24	10
35% - 39.99%	76	209	1,644
40% - 49.99%	90	3	1
50% or more	15,936	18,119	2,874
Total Loans	17,509	18,717	4,530

**Table 12: Loans \$500-\$999, by APR, Using Finder**

	2018	2019	2020
Up to 14.99%	0	0	
15% - 19.99%	0	0	
20% - 24.99%	0	0	
25% - 29.99%	0	0	<b>NOT</b>
30% - 34.99%	16	1,105	<b>REPORTED</b>
35% - 39.99%	1,389	1,121	
40% - 49.99%	1,001	1,167	
50% or more	21,333	12,423	
Total Loans	23,739	15,816	

**Table 13: Loans \$500-\$999, by APR, Without Using Finder**

	2018	2019	2020
Up to 14.99%	258	85	1
15% - 19.99%	177	0	2
20% - 24.99%	344	4	107
25% - 29.99%	1,151	611	14
30% - 34.99%	1,583	3,157	1,068
35% - 39.99%	4,357	644	23,228
40% - 49.99%	26,498	28,577	8,836
50% or more	57,383	62,040	17,775
Total Loans	91,751	95,118	51,031

**Table 14: Loans \$1,000-\$1,499, by APR, Using Finder**

	2018	2019	2020
Up to 14.99%	0	0	
15% - 19.99%	0	0	
20% - 24.99%	0	0	
25% - 29.99%	0	0	
30% - 34.99%	67	409	<b>NOT</b>
35% - 39.99%	2,831	1,000	<b>REPORTED</b>
40% - 49.99%	26,972	17,451	
50% or more	2,008	4,035	
Total Loans	31,878	22,895	

**Table 15: Loans \$1,000-\$1,499, by APR, Without Using Finder**

	2018	2019	2020
Up to 14.99%	0	178	13
15% - 19.99%	221	0	0
20% - 24.99%	188	43	15
25% - 29.99%	765	371	10
30% - 34.99%	1,679	730	274
35% - 39.99%	2,626	555	7,792
40% - 49.99%	21,976	20,715	6,072
50% or more	10,585	9,251	2,883
Total Loans	38,040	31,843	17,059

**Table 16: Loans \$1,500-\$2,499, by APR, Using Finder**

	2018	2019	2020
Up to 14.99%	0	0	
15% - 19.99%	0	0	
20% - 24.99%	0	0	
25% - 29.99%	0	0	<b>NOT</b>
30% - 34.99%	962	782	<b>REPORTED</b>
35% - 39.99%	23,885	11,101	
40% - 49.99%	10,105	12,847	
50% or more	212	0	
Total Loans	35,164	24,730	

**Table 17: Loans \$1,500-\$2,499, by APR, Without Using Finder**

	2018	2019	2020
Up to 14.99%	95	0	0
15% - 19.99%	63	5	0
20% - 24.99%	172	131	21
25% - 29.99%	1,130	473	55
30% - 34.99%	3,575	1,884	742
35% - 39.99%	11,230	9,557	13,053
40% - 49.99%	28,622	31,013	8,217
50% or more	13	3,031	2
Total Loans	44,900	46,094	22,090

**Table 18: Loans \$2,500-\$4,999, by APR, Using Finder**

	2018	2019	2020
Up to 14.99%	N/A	0	
15% - 19.99%	N/A	0	
20% - 24.99%	N/A	0	
25% - 29.99%	N/A	1	<b>NOT</b>
30% - 34.99%	N/A	7,461	<b>REPORTED</b>
35% - 39.99%	N/A	28,806	
40% - 49.99%	N/A	0	
50% or more	N/A	0	
Total Loans	N/A	36,268	

**Table 19: Loans \$2,500-\$4,999, by APR, Without Using Finder**

	2018	2019	2020
Up to 14.99%	N/A	0	0
15% - 19.99%	N/A	0	0
20% - 24.99%	N/A	0	0
25% - 29.99%	N/A	2,441	0
30% - 34.99%	N/A	96	7
35% - 39.99%	N/A	670	57
40% - 49.99%	N/A	0	0
50% or more	N/A	0	0
Total Loans	N/A	3,207	64

**Table 20: Loans \$5,000-\$7,499, by APR, Using Finder**

	2018	2019	2020
Up to 14.99%	N/A	0	
15% - 19.99%	N/A	0	
20% - 24.99%	N/A	0	
25% - 29.99%	N/A	0	<b>NOT</b>
30% - 34.99%	N/A	0	<b>REPORTED</b>
35% - 39.99%	N/A	0	
40% - 49.99%	N/A	0	
50% or more	N/A	0	
Total Loans	N/A	0	

**Table 21: Loans \$5,000-\$7,499, by APR, Without Using Finder**

	2018	2019	2020
Up to 14.99%	N/A	0	0
15% - 19.99%	N/A	0	0
20% - 24.99%	N/A	0	0
25% - 29.99%	N/A	2,580	0
30% - 34.99%	N/A	0	0
35% - 39.99%	N/A	0	4
40% - 49.99%	N/A	0	0
50% or more	N/A	2	0
Total Loans	N/A	2,582	4

**Table 22: Loans Made by Size Using Finder**

	2018	2019	2020
\$300-\$499	16,561	25,233	
\$500-\$999	23,739	15,816	
\$1,000-\$1,499	31,878	22,895	<b>NOT</b>
\$1,500-\$2,499	35,164	24,730	<b>REPORTED</b>
\$2,500-\$4,999	0	36,268	
\$5,000-\$7,499	0	0	
Total Loans	107,342	124,942	

**Table 23: Loans Made by Size Without Using Finder**

	2018	2019	2020
\$300-\$499	17,509	18,717	4,530
\$500-\$999	91,751	95,118	51,031
\$1,000-\$1,499	38,040	31,843	17,059
\$1,500-\$2,499	44,900	46,094	22,090
\$2,500-\$4,999	0	3,207	64
\$5,000-\$7,499	0	2,582	4
Total Loans	192,200	197,561	94,778

**Table 24: Who Obtained More Than One Loan Using Finder**

	2018	2019	2020
Number of Borrowers Who Obtained 2 Loans	13,107	15,234	
Number of Borrowers Who Obtained 3 Loans	724	1,072	<b>NOT</b>
Number of Borrowers Who Obtained 4 Loans	42	85	<b>REPORTED</b>
Total Number of Borrowers Who Obtained More Than One Loan	13,873	16,391	

**Table 25: Borrowers Who Obtained More Than One Loan Without Using Finder**

	2018	2019	2020
Number of Borrowers Who Obtained 2 Loans	17,961	19,663	6,783
Number of Borrowers Who Obtained 3 Loans	734	1,302	280
Number of Borrowers Who Obtained 4 Loans	34	73	24
Total Number of Borrowers Who Obtained More Than One Loan	18,729	21,038	7,087



**Table 26: Credit Score Performance for Borrowers Who Obtained More Than One Loan Using Finder**

	2018	2019	2020
Number of Borrowers Who Obtained More Than One Loan	13,873	16,387	
Number of Borrowers with Credit Scores That Increased Over the Previous Loan	6,854	8,352	<b>NOT</b>
Number of Borrowers Who Started With No Credit Score Before Obtaining Successive Loan	N/A	5,820	<b>REPORTED</b>
Percentage of Borrowers with Increased Credit Scores	49%	51%	
Average Size of Increase (in points) in Credit Scores	244	184	

**Table 27: Credit Score Performance for Borrowers Who Obtained More Than One Loan Without Using Finder**

	2018	2019	2020
Number of Borrowers Who Obtained More Than One Loan	18,765	21,035	7,087
Number of Borrowers with Credit Scores That Increased Over the Previous Loan	11,872	12,213	5,320
Number of Borrowers Who Started With No Credit Score Before Obtaining Successive Loan	N/A	7,058	6
Percentage of Borrowers with Increased Credit Scores	63%	58%	75%
Average Size of Increase (in points) in Credit Scores	276	253	358

**Table 28: Loans by Income Distribution of Census Tract Using Finder\***

	2018	2019	2020
Low-Income	9,660	22,120	
Moderate-Income	6,636	54,131	
Middle-Income	28,766	30,522	<b>NOT</b>
Upper-Income	28,519	16,799	<b>REPORTED</b>
Not Known	34,121	1,370	
Total Loans	107,342	124,942	

**Table 29: Loans by Income Distribution of Census Tract Without Using Finder**

	2018	2019	2020
Low-Income	33,969	31,360	15,779
Moderate-Income	82,352	83,237	41,188
Middle-Income	41,510	44,705	22,750
Upper-Income	10,764	12,236	6,540
Not Known	23,605	26,023	8,521
Total Loans	192,200	197,561	94,778

\* "Low-income" census tract means median family income less than 50 percent of the median for the metropolitan area. "Moderate-income" census tract means median family income of 50 percent to 79 percent of the median for metropolitan area. "Middle-income" census tract means median family income of 80 percent to 119 percent of the median for the metropolitan area. "Upper-income" census tract means median family income of 120 percent or more of the median for the metropolitan area.

**Table 30: Loans by Income Distribution Using Finders**

	2018	2019	2020
Less than \$20,000	N/A	19,885	
\$20,000 - \$44,999	N/A	83,235	
\$45,000 - \$139,999	N/A	21,327	<b>NOT</b>
\$140,000 and Above	N/A	495	<b>REPORTED</b>
Total Loans	N/A	124,942	

**Table 31: Loans by Income Distribution Without Using Finders**

	2018	2019	2020
Less than \$20,000	N/A	32,652	12,086
\$20,000 - \$44,999	N/A	126,309	61,182
\$45,000 - \$139,999	N/A	37,344	20,741
\$140,000 and Above	N/A	1,256	769
Total Loans	N/A	197,561	94,778

**Table 32: Loans by Borrower's Use of Bank Account/Check Cashing Using Finder**

	2018	2019	2020
Bank Account	85,579	99,143	
No Bank Account	21,763	25,799	<b>NOT</b>
Borrowers With Bank Account Who Also Used Check-Cashing Services	20,270	19,544	<b>REPORTED</b>
Borrowers With Bank Account Who Also Used Payday Loan Services	2,831	2,752	

**Table 33: Loans by Borrower's Use of Bank Account/Check Cashing Without Using Finder**

	2018	2019	2020
Bank Account	159,440	168,199	82,765
No Bank Account	32,627	29,362	12,013
Borrowers With Bank Account Who Also Used Check-Cashing Services	2,855	4,654	0
Borrowers With Bank Account Who Also Used Payday Loan Services	4,961	6,143	0

**Table 34: Late Fees: Loans Using Finder**

	2018	2019	2020
Number of Loans with Late Fees	21,349	23,860	<b>NOT</b>
Total Loans	107,342	124,942	<b>REPORTED</b>
Percentage of Loans with Late Fees	20%	19%	

**Table 35: Late Fees: Loans Without Using Finder**

	2018	2019	2020
Number of Loans with Late Fees	54,352	55,456	22,284
Total Loans	192,200	197,561	94,778
Percentage of Loans with Late Fees	28%	28%	24%

**Table 36: Late Fees - Dollar Amount Data Using Finder**

	2018	2019	2020
Total Amount of Late Fees	\$1,227,352	\$1,448,542	
Total Principal Amount of Loans	\$136,199,421	\$213,669,100	<b>NOT REPORTED</b>
Late Fees as a Percentage of Loan Principal	1.0%	0.7%	
Average Late Fees	\$14	\$14	

**Table 37: Late Fees - Dollar Amount Data Without Using Finder**

	2018	2019	2020
Total Amount of Late Fees	\$3,723,483	\$3,799,164	\$1,483,945
Total Principal Amount of Loans	\$193,656,421	\$214,763,498	\$94,015,692
Late Fees as a Percentage of Loan Principal	1.9%	1.8%	1.6%
Average Late Fees	\$12	\$12	\$12

**Table 38: Loans, by Purpose, Using Finder**

	2018	2019	2020
Medical	2,334	2,580	
Other Emergency	0	0	
Vehicle Repair	6,932	6,536	
Vehicle Purchase	5,027	5,853	
To Pay Bills	33,623	32,803	<b>NOT REPORTED</b>
To Consolidate Debt	3,777	3,359	
To Build or Repair Credit	35,377	38,141	
Purchase Goods or Services Other Than a Vehicle	4,560	327	
For Other Than Personal, Family, or Household Purposes	2,758	4,155	
Other	12,954	31,188	

**Table 39: Loans, by Purpose, Without Using Finder**

	2018	2019	2020
Medical	4,204	5,447	2,049
Other Emergency	21,977	18,055	8,952
Vehicle Repair	11,315	11,268	4,973
Vehicle Purchase	11,302	9,216	4,280
To Pay Bills	37,772	37,553	18,859
To Consolidate Debt	14,360	15,799	7,803
To Build or Repair Credit	34,752	25,472	10,695
Purchase Goods or Services Other Than a Vehicle	26,658	50,783	30,042
For Other Than Personal, Family, or Household Purposes	2,031	276	46
Other	27,829	23,692	7,079

**Table 40: Loans With at Least One Delinquency: Made by Size, Delinquency Period Using Finder: 7-29 Days**

	2018		2019		2020	
\$300-\$499	1,413	9%	2,399	10%		
\$500-\$999	2,706	11%	1,668	11%		
\$1,000-\$1,499	2,919	9%	2,300	10%		
\$1,500-\$2,499	2,471	7%	2,455	10%		<b>NOT REPORTED</b>
\$2,500-\$4,999	0	0%	2,862	8%		
\$5,000-\$7,499	0	0%	0	0%		
Total Loans All Sizes	9,509		11,684			

**Table 41: Loans With At Least One Delinquency: Loans Made by Size, Delinquency Period Without Using Finder: 7-29 Days**

	2018		2019		2020	
\$300-\$499	3,002	17%	2,683	14%	267	6%
\$500-\$999	18,203	20%	18,346	19%	7,483	15%
\$1,000-\$1,499	7,497	20%	6,076	19%	2,837	17%
\$1,500-\$2,499	10,476	23%	10,351	22%	7,010	32%
\$2,500-\$4,999	0	0%	439	14%	4	6%
\$5,000-\$7,499	0	0%	386	15%	0	0%
Total Loans All Sizes	39,178		38,281		17,601	

**Table 42: Loans With at Least One Delinquency: Made by Size, Delinquency Period Using Finder: 30-59 Days**

	2018		2019		2020	
\$300-\$499	635	4%	1,086	4%		
\$500-\$999	983	4%	530	3%		
\$1,000-\$1,499	980	3%	776	3%		
\$1,500-\$2,499	715	2%	703	3%		<b>NOT REPORTED</b>
\$2,500-\$4,999	0	0%	896	2%		
\$5,000-\$7,499	0	0%	0	2%		
Total Loans All Sizes	3,313		3,991			

**Table 43: Loans With At Least One Delinquency: Made by Size, Delinquency Period Without Using Finder: 30-59 Days**

	2018		2019		2020	
\$300-\$499	1,595	9%	1,429	8%	95	2%
\$500-\$999	8,463	9%	8,352	9%	2,749	5%
\$1,000-\$1,499	3,084	8%	2,356	7%	900	5%
\$1,500-\$2,499	3,654	8%	3,484	8%	2,064	9%
\$2,500-\$4,999	0	0%	266	8%	0	0%
\$5,000-\$7,499	0	0%	248	10%	0	0%
Total Loans All Sizes	16,796		16,135		5,808	

**Table 44: Loans With at Least One Delinquency: Made by Size, Using Finder: 60 Days or More**

	2018		2019		2020
\$300-\$499	1,762	11%	3,050	12%	
\$500-\$999	2,504	11%	1,402	9%	
\$1,000-\$1,499	1,681	5%	1,523	7%	<b>NOT</b>
\$1,500-\$2,499	1,289	4%	1,152	5%	<b>REPORTED</b>
\$2,500-\$4,999	0	0%	1,537	4%	
\$5,000-\$7,499	0	0%	0	0%	
Total Loans All Sizes	7,236		8,664		

**Table 45: Loans With At Least One Delinquency: Made by Sizes, Without Using Finder: 60 Days or More**

	2018		2019		2020	
\$300-\$499	750	4%	1,037	6%	55	1%
\$500-\$999	4,262	5%	4,553	5%	1,446	3%
\$1,000-\$1,499	1,435	4%	1,201	4%	481	3%
\$1,500-\$2,499	1,590	4%	1,760	4%	1,550	7%
\$2,500-\$4,999	0	0%	246	8%	1	2%
\$5,000-\$7,499	0	0%	197	8%	1	25%
Total Loans All Sizes	8,037		9,003		3,534	

**Table 46: Loans with at Least One Delinquency of 7 Days or More, Using Finder**

	2018	2019	2020
Total Number of Loans Delinquent 7 Days or More	20,058	24,339	
Total Number Not Subsequently Brought Current	11,219	13,842	<b>NOT</b>
Percentage Not Subsequently Brought Current	56%	57%	<b>REPORTED</b>
Average Number of Times Such Borrowers Delinquent 7 Days or More	1.6	1.6	

**Table 47: Loans with at Least One Delinquency of 7 Days or More, Without Using Finder**

	2018	2019	2020
Total Number of Loans Delinquent 7 Days or More	64,011	63,415	26,943
Total Number Not Subsequently Brought Current	21,475	21,515	7,452
Percentage Not Subsequently Brought Current	34%	34%	28%
Average Number of Times Such Borrowers Delinquent 7 Days or More	2.2	2.7	6.7

**Table 48: Delinquency Comparison: Pilot Program Loans vs. Other CFL Loans: Year 2018**

	Pilot Program Loans		CFL Loans		
	Using Finder	W/o Using Finder			
One Payment Past Due 9,509	9%	39,178	20%	20,119	5%
Two Payments Past Due 3,313	3%	16,796	9%	9,204	3%
Three or More Payments Past Due 7,236	7%	8,037	4%	24,728	7%

**Table 49: Delinquency Comparison: Pilot Program Loans and Other CFL Loans: Year 2019**

	Pilot Program Loans		CFL Loans			
	Using Finder	W/o Using Finder				
One Payment Past Due	11,684	12%	38,281	26%	19,841	4%
Two Payments Past Due	3,991	4%	16,135	11%	13,008	3%
Three or More Payments Past Due 8,664		9%	9,003	6%	39,681	8%

**Table 50: Delinquency Comparison: Pilot Program Loans and Other CFL Loans: Year 2020**

	Pilot Program Loans		CFL Loans		
	Using Finder	W/o Using Finder			
One Payment Past Due	<b>NOT</b>	16,634	18%	91,833	2%
Two Payments Past Due	<b>REPORTED</b>	5,469	6%	68,829	2%
Three or More Payments Past Due		2,660	3%	103,821	3%

**Table 51: Language in Which Loan Negotiated: Using Finder\***

	2018	2019	2020
English	8,690	11,201	
Spanish	98,652	113,741	
Chinese	0	0	<b>NOT</b>
Tagalog	0	0	<b>REPORTED</b>
Vietnamese	0	0	
Korean	0	0	
Other	0	0	

**Table 52: Language in Which Loan Negotiated: Without Using Finder\***

	2018	2019	2020
English	67,148	85,147	42,974
Spanish	125,052	112,414	51,804
Chinese	0	0	0
Tagalog	0	0	0
Vietnamese	0	0	0
Korean	0	0	0
Other	0	0	0

\* When loan was negotiated in a language other than English, documents were provided in that language.

**Table 53: Refinance Loans Using Finder**

	2018	2019	2020
Borrowers Who Applied for Refinance Loan	0	11,198	
Borrowers Who Applied for Refinance Loan	0%	10%	<b>NOT</b>
Borrowers Who Obtained One or More Refinance Loans	0	9,422	<b>REPORTED</b>
Percentage of Borrowers Who Obtained One or More Refinance Loans	0%	9%	
Total Principal Amount of Refinance Loans Made	\$0	\$21,857,500	

**Table 54: Refinance Loans Without Using Finder**

	2018	2019	2020
Borrowers Who Applied for Refinance Loan	15,721	39,296	23,652
Borrowers Who Applied for Refinance Loan	9%	22%	27%
Borrowers Who Obtained One or More Refinance Loans 7,242		11,550	8,935
Borrowers Who Obtained One or More Refinance Loans 4%		7%	10%
Total Principal Amount of Refinance Loans Made \$12,253,440		\$32,901,544	\$8,790,186

**Table 55: Detail Of Refinance Loans Made Using Finder**

	2018	2019	2020
Borrowers Who Refinanced Once	0	9,455	
Borrowers Who Refinanced Once	0%	9%	
Borrowers Who Refinanced Twice	0	0	<b>NOT</b>
Borrowers Who Refinanced Twice	0%	0%	<b>REPORTED</b>
Borrowers Who Refinanced More Than Twice	0	0	
Borrowers Who Refinanced More Than Twice	0%	0%	

**Table 56: Detail Of Refinance Loans Made Without Using Finder**

	2018	2019	2020
Borrowers Who Refinanced Once	7,196	11,741	8,827
Borrowers Who Refinanced Once	4%	7%	10%
Borrowers Who Refinanced Twice	62	1,224	108
Borrowers Who Refinanced Twice	0%	0.7%	0.1%
Borrowers Who Refinanced More Than Twice	0	411	0
Borrowers Who Refinanced More Than Twice	0%	0%	0%

**Table 57: Refinance Loans Using Finder: Pre-Refinance Principal Pay Down, Late Payments, Additional Principal Extended**

	2018	2019	2020
Average Percentage of Principal Paid Down Before Obtaining Refinance Loan	0%	24%	<b>NOT REPORTED</b>
Average Number of Late Payments Made on Loan Refinanced	0	2.94	
Average Amount of Additional Principal Extended on Refinance Loans	\$0	\$1,823	

**Table 58: Refinance Loans Without Using Finder: Pre-Refinance Principal Pay Down, Late Payments, Additional Principal Extended**

	2018	2019	2020
Average Percentage of Principal Paid Down Before Obtaining Refinance Loan	59%	49%	73%
Average Number of Late Payments Made on Loan Refinanced	2.4	9.7	5.6
Average Amount of Additional Principal Extended on Refinance Loans	\$869	\$1,169	\$1,393

**Table 59: Total Number of Finders by Finder Type**

Type of Business Operated	2018	2019	2020
Check Cashiers	11	10	
Money Transmitters	28	43	<b>NOT REPORTED</b>
Others*	60	31	
Payday Lenders and/or Finance Lenders	9	1	

\*Others include Tax Preparer, Insurance Agents, Variety Stores, and Other Service Providers.





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