



STATE OF DELAWARE
OFFICE OF THE STATE BANK COMMISSIONER
555 E. LOOCKERMAN STREET, SUITE 210
DOVER, DELAWARE 19901

WEB: BANKING.DELAWARE.GOV

TELEPHONE: (302) 739-4235
FAX: (302) 739-3609

March 12, 2014

The Honorable Bryan Townsend
Chairman
Senate Banking Committee
Legislative Hall
Dover, DE 19901

The Honorable Bryon H. Short
Chairman
House Economic Development/Banking/Insurance/Commerce Committee
Legislative Hall
Dover, DE 19901

RE: Short-Term Consumer Loan Database 2013 Operations Report

Dear Senator Townsend and Representative Short:

Enclosed for your information is a report about the 2013 operations of the short-term consumer loan database, as required by Section 2235C of Title 5 of the Delaware Code. This report was prepared by Veritec Solutions, LLC, which operates the database under contract with this Office, as authorized by Section 2235B of Title 5. The report contains the information specified by Section 2235C, as well as additional information about the postal zip codes of borrowers, which was requested by Representatives Baumbach and Keeley, who are copied on this letter, together with Senator Bonini, who was a sponsor of the legislation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert A. Glen".

Robert A. Glen
State Bank Commissioner

cc: The Honorable Jack A. Markell
The Honorable Jeffrey W. Bullock
The Honorable Paul S. Baumbach
The Honorable Helene M. Keeley
The Honorable Colin R. J. Bonini



State of Delaware
Short-Term Consumer Loan Program

Report on Delaware
Short-Term Consumer Loan Activity
For the Year Ending December 31, 2013



Prepared for the State of Delaware
Office of the State Bank Commissioner
By Veritec Solutions, LLC



Contents

Program Statistics and Highlights 3

 Short-Term Consumer Loan Volume 3

 Short-Term Consumer Loan Amounts and Fees 4

 Short-Term Consumer Loan Amounts and Fees (continued) 5

 Borrower Usage of Short-Term Consumer Loans 6

 Borrower Usage by Zip-Code 7

 Short-Term Consumer Loan Defaults 8

 Provider Locations 8

 System Availability 8

ABOUT THE INFORMATION IN THIS REPORT

THIS REPORT PROVIDES STATISTICAL INFORMATION REQUIRED UNDER 78 DEL. LAWS CH. 278 (THE "ACT").

THE INFORMATION CONTAINED IN THIS REPORT IS BASED ON SHORT-TERM CONSUMER LOANS REGISTERED TO THE SHORT-TERM CONSUMER LOAN PROGRAM DATABASE ("DATABASE") PURSUANT TO THE ACT. THE DATABASE WENT INTO EFFECT BEGINNING ON JANUARY 1, 2013. THE DATA PRESENTED IN THIS REPORT IS FOR THE PERIOD FROM JANUARY 2013 THROUGH DECEMBER 2013.



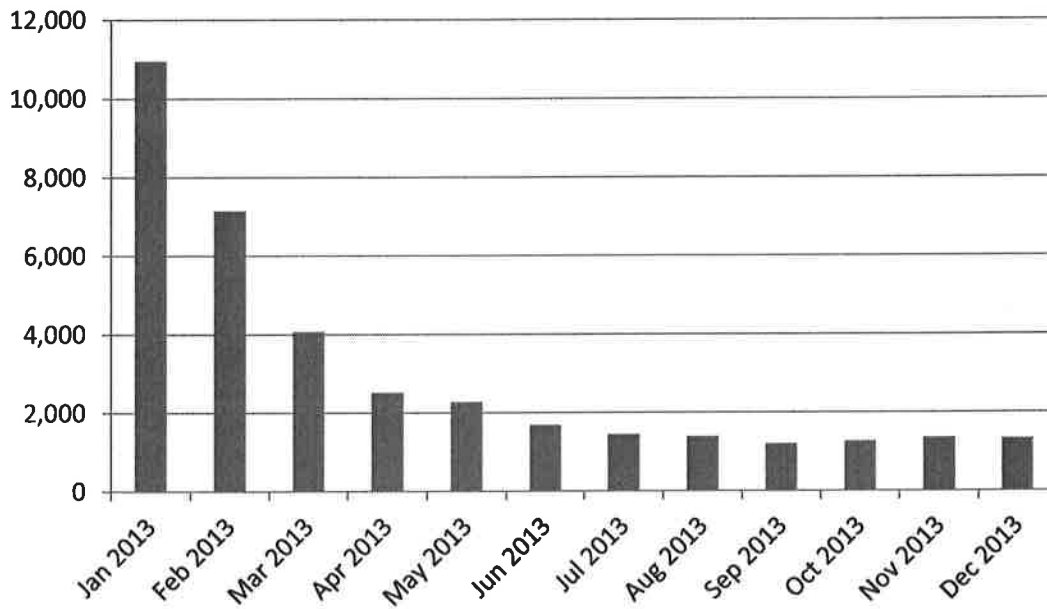
Program Statistics and Highlights

Short-Term Consumer Loan Volume

The total number of short-term consumer loans conducted from January 2013 through December 2013 was 36,675 loans.¹

The average number of days short-term consumer loans were outstanding was 26.2 days.

Volume of Loans per Month



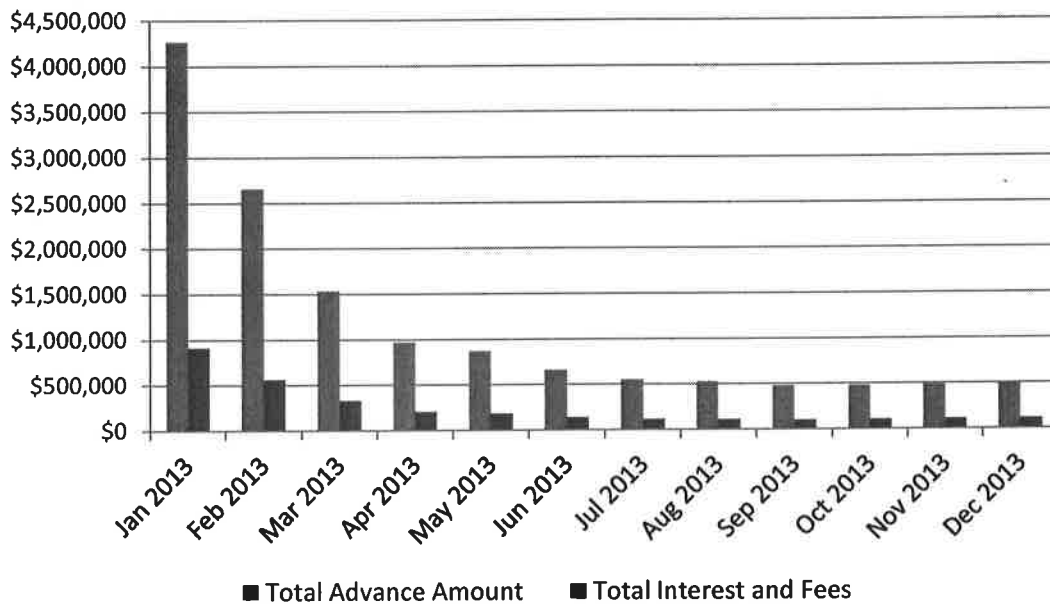
¹ Loan volume is based on agreement dates and excludes loans that were cancelled or administratively closed.



Short-Term Consumer Loan Amounts and Fees

The 36,675 short-term consumer loans conducted during the period from January 2013 through December 2013 represent a total advance amount of approximately \$14.0 million with total interest and fees of approximately \$3.0 million.

Loan Amounts and Fees



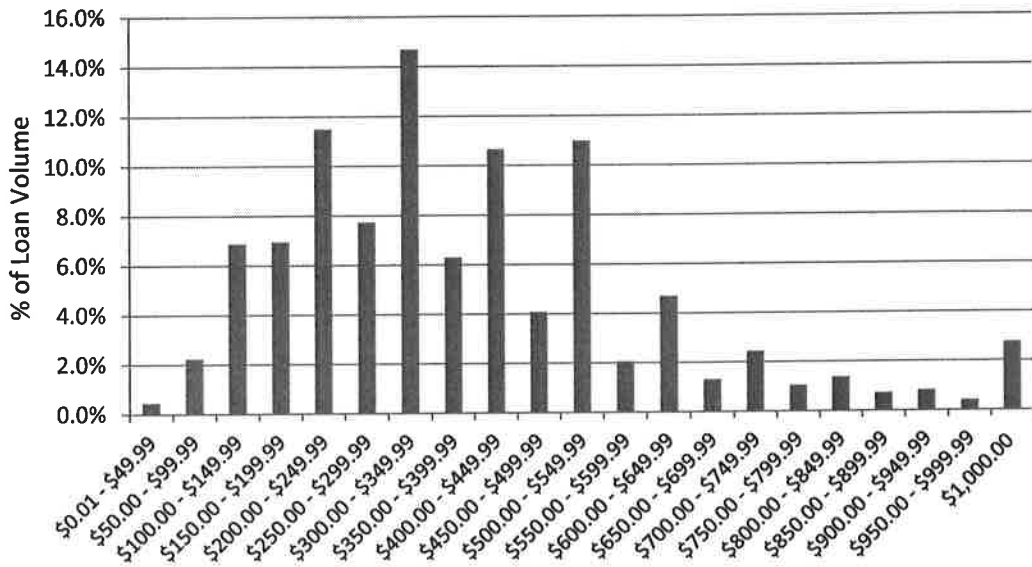


Short-Term Consumer Loan Amounts and Fees (continued)

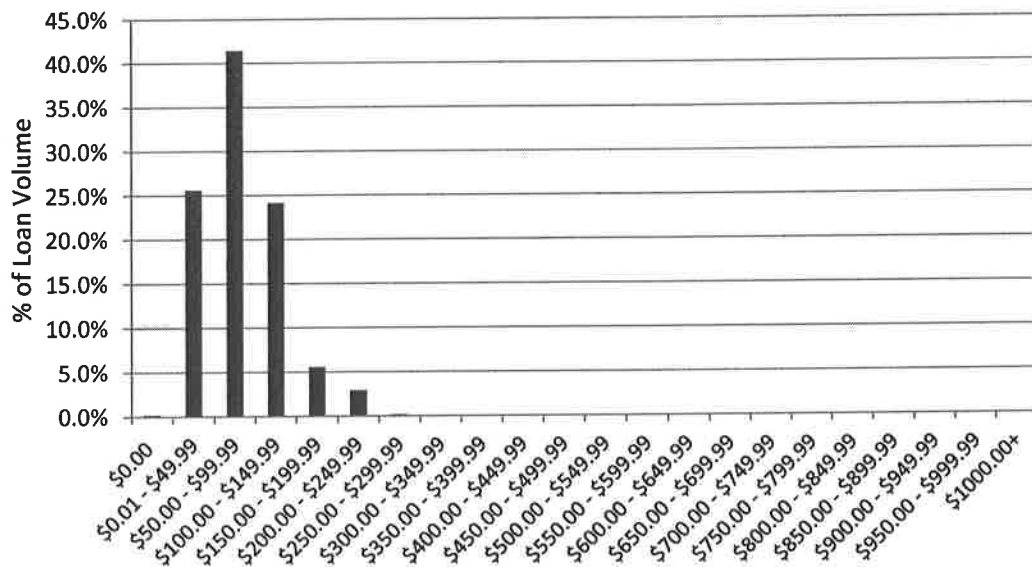
Advance amounts ranged from a minimum of \$7.14 to a maximum of \$1,000.00, with an average advance amount of \$381.16.

Short-term consumer loan annual percentage rate ranged from a minimum of 0.0 to a maximum of 7,300.0, with an average annual percentage rate of 505.8.

Range of Advance Amounts



Range of Total Fee Amounts



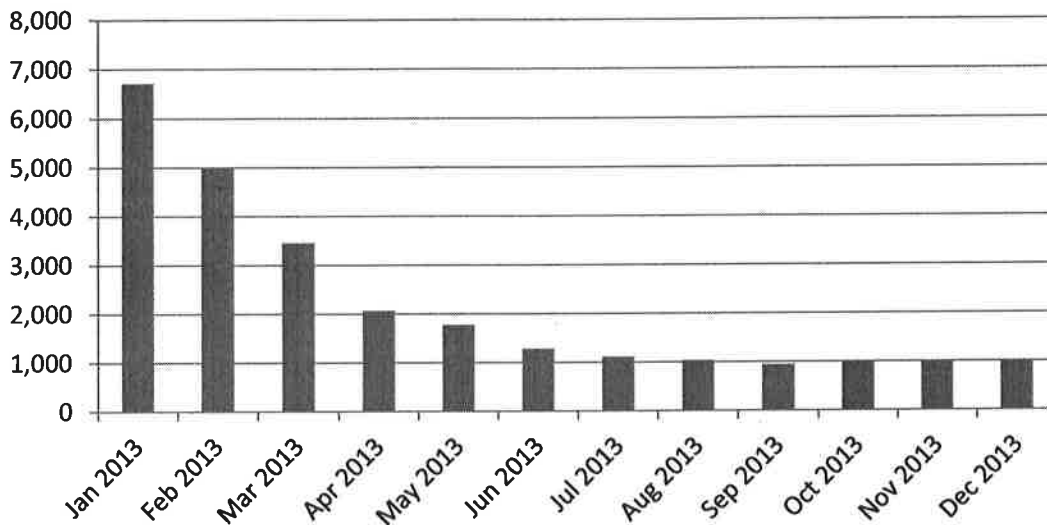


Borrower Usage of Short-Term Consumer Loans

There were 11,470 borrowers who opened at least one loan during the period from January 2013 through December 2013.

The average gross monthly income of borrowers from January 2013 through December 2013 was \$2,764.00.²

Borrowers per Month



During the period from January 2013 through December 2013 approximately 39% of borrowers opened 2 or fewer loans.

Number of Loans	Number of Borrowers	% of Total Borrowers	Number of Loans	% of Total Loans
1	2,713	23.7%	2,713	7.4%
2	1,757	15.3%	3,514	9.6%
3	1,547	13.5%	4,641	12.7%
4	1,473	12.8%	5,892	16.1%
5	3,965	34.6%	19,825	54.1%
6	15	0.1%	90	0.2%
Totals	11,470	100.0%	36,675	100.0% ³

² The income used in this calculation represents the income entered for each loan by the licensee at the time the loan was added to the database.

³ A borrower may temporarily exceed the limit of 5 loans per 12 month period if a previously closed loan is reopened after the borrower has reached their limit.



Borrower Usage by Zip-Code

Below are details of the Delaware zip codes with the highest number of borrowers for the period from January 2013 through December 2013.

Zip Code	# Borrowers	# Transactions	Primary City	County
19720	614	2,023	New Castle	New Castle County
19802	420	1,402	Wilmington	New Castle County
19805	413	1,326	Wilmington	New Castle County
19702	396	1,200	Newark	New Castle County
19901	342	1,068	Dover	Kent County
19973	315	981	Seaford	Sussex County
19713	307	1,038	Newark	New Castle County
19801	271	901	Wilmington	New Castle County
19904	242	731	Dover	Kent County
19711	218	758	Newark	New Castle County
19709	187	638	Middletown	New Castle County
19701	177	518	Bear	New Castle County
19963	167	560	Milford	Sussex County
19977	157	513	Smyrna	Kent County
19947	145	469	Georgetown	Sussex County
19966	136	406	Millsboro	Sussex County
19703	132	395	Claymont	New Castle County
19956	131	397	Laurel	Sussex County
19952	127	399	Harrington	Kent County
19808	105	373	Wilmington	New Castle County
19804	105	352	Wilmington	New Castle County
19933	99	301	Bridgeville	Sussex County
19943	93	300	Felton	Kent County
19962	86	286	Magnolia	Kent County
19934	76	245	Camden Wyoming	Kent County
19975	67	232	Selbyville	Sussex County
19809	66	206	Wilmington	New Castle County
19960	56	171	Lincoln	Sussex County
19938	53	180	Clayton	Kent County
19950	53	171	Greenwood	Sussex County



Short-Term Consumer Loan Defaults

Of the 36,675 short-term consumer loans opened during the period from January 2013 through December 2013, borrowers have defaulted on 5,752 loans, representing a default rate of 15.7%.

The 5,752 defaults represent a total outstanding advance amount of approximately \$2.7 million, or approximately 91.9% of the \$3.0 million total interest and fees earned during the analysis period.

Provider Locations

There were 139 active licensee store locations as of December 31, 2013.

System Availability

Overall system availability averaged 99.97% from January 2013 through December 2013 including scheduled maintenance.

