



STATE OF DELAWARE
OFFICE OF THE STATE BANK COMMISSIONER
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March 12, 2018

The Honorable Brian J. Bushweller
Chairman
Senate Banking, Business & Insurance Committee
Legislative Hall
Dover, Delaware 19901

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

Re: Short-Term Consumer Loan Database 2017 Operations Report

Dear Senator Bushweller and Representative Short:

Enclosed for your information is a report about the 2017 operation 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.

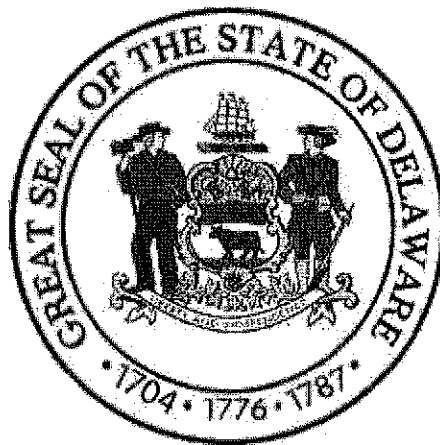
Respectfully submitted,

Robert A. Glen
State Bank Commissioner



State of Delaware
Short-Term Consumer Loan Program

Report on Delaware
Short-Term Consumer Loan Activity
For the Year Ending December 31, 2017



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



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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 2017 THROUGH DECEMBER 2017.

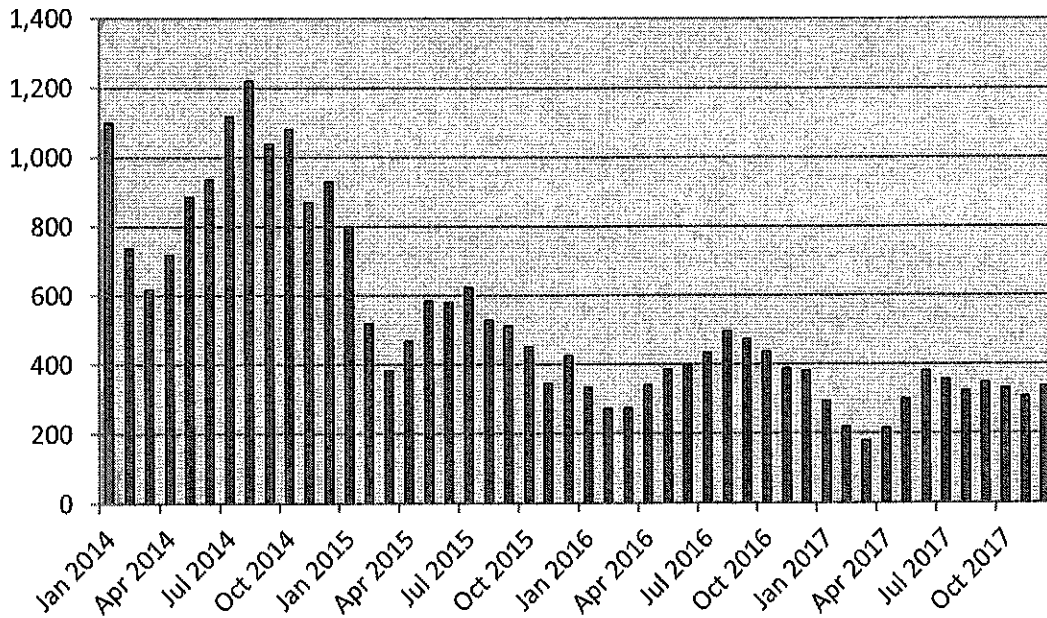
Program Statistics and Highlights

Short-Term Consumer Loan Volume

The total number of short-term consumer loans conducted from January 2017 through December 2017 was 3,584.¹

The average number of days short-term consumer loans were outstanding was 20.8 days.

Volume of Loans per Month

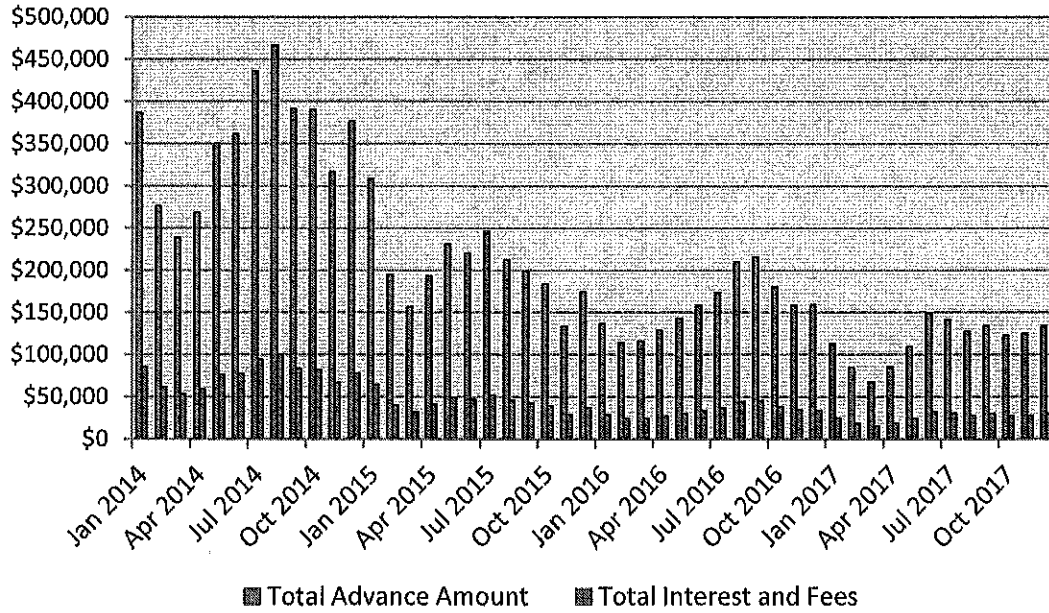


¹ Loan volume is based on agreement dates and excludes loans that were cancelled or administratively closed.

Short-Term Consumer Loan Amounts and Fees

The 3,584 short-term consumer loans conducted during the period from January 2017 through December 2017 represent a total advance amount of approximately \$1.4 million with total interest and fees of approximately \$309 thousand.

Loan Amounts and Fees

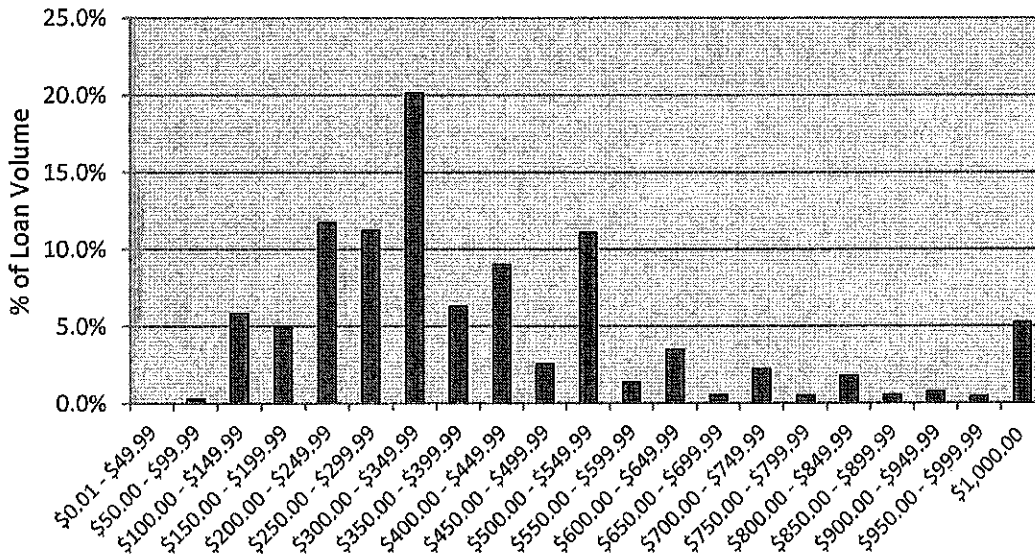


Short-Term Consumer Loan Amounts and Fees (continued)

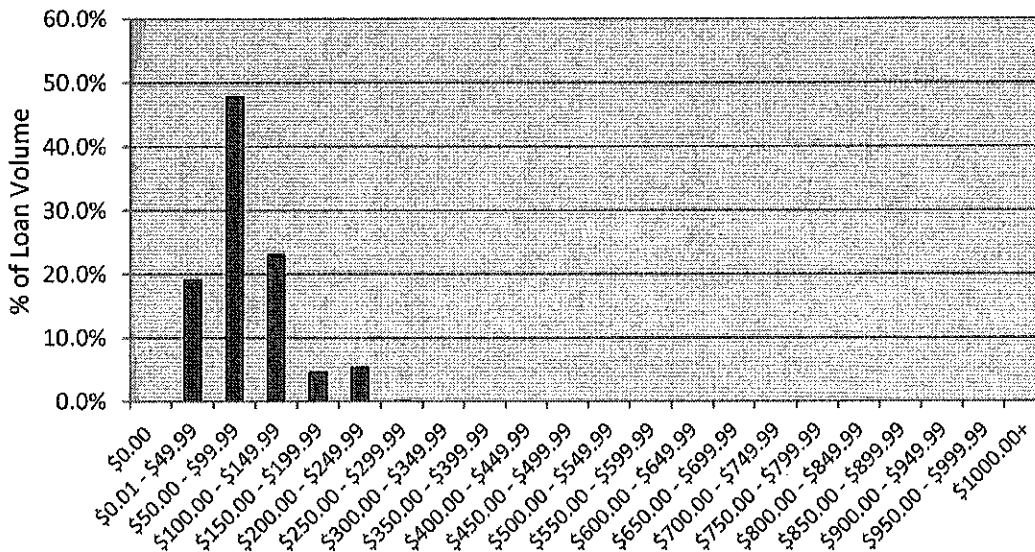
Advance amounts per transaction ranged from a minimum of \$50.00 to a maximum of \$1,000.00, with an average advance amount of \$388.62.

Short-term consumer loan annual percentage rate ranged from a minimum of 208.6 to a maximum of 3,650.0, with an average annual percentage rate of 590.6.

Range of Advance Amounts



Range of Total Fee Amounts

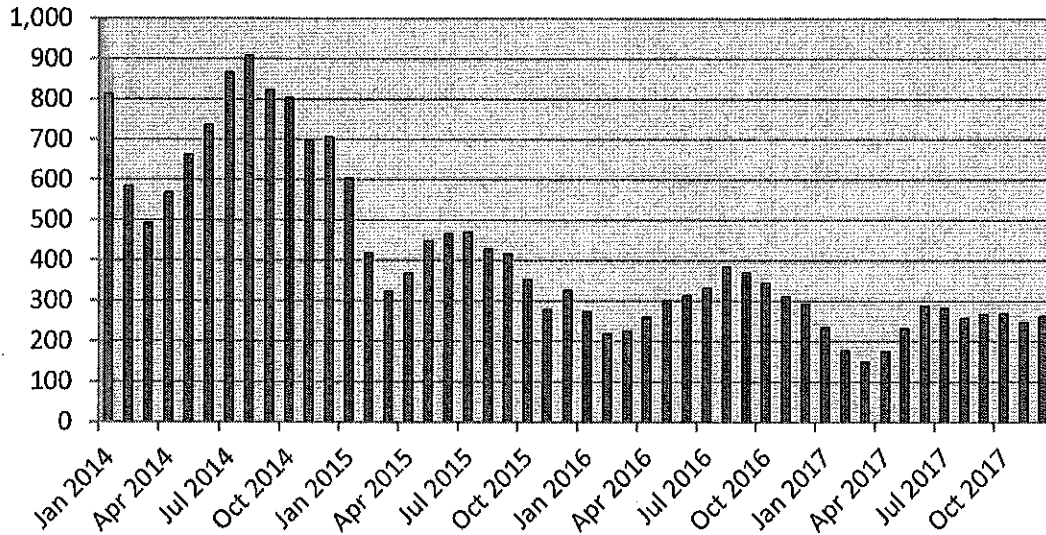


Borrower Usage of Short-Term Consumer Loans

There were 1,406 borrowers who opened at least one loan during the period from January 2017 through December 2017.

The average gross monthly income of borrowers from January 2017 through December 2017 was \$3,127.05.²

Borrowers per Month



During the period from January 2017 through December 2017 approximately 56% of borrowers opened 2 or fewer loans.

Number of Loans	Number of Borrowers	% of Total Borrowers	Number of Loans	% of Total Loans
1	519	36.9%	519	14.5%
2	271	19.3%	542	15.1%
3	195	13.9%	585	16.3%
4	167	11.9%	668	18.6%
5	254	18.1%	1,270	35.4%
6	0	0.0%	0	0.0%
Totals	1,406	100.0%	3,584	100.0%

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.



Borrower Usage by Zip Code

Below are details of the Delaware zip codes with the highest number of borrowers for the period from January 2017 through December 2017.³

Zip Code	# Borrowers	# Transactions	Primary City	County
19720	105	289	New Castle	New Castle County
19702	65	166	Newark	New Castle County
19901	57	131	Dover	Kent County
19904	56	152	Dover	Kent County
19709	55	147	Middletown	New Castle County
19713	52	120	Newark	New Castle County
19701	46	108	Bear	New Castle County
19805	46	97	Wilmington	New Castle County
19802	44	122	Wilmington	New Castle County
19703	37	117	Claymont	New Castle County
19711	36	84	Newark	New Castle County
19810	20	49	Wilmington	New Castle County
19963	19	51	Milford	Sussex County
19952	19	45	Harrington	Kent County
19809	19	37	Wilmington	New Castle County
19804	18	51	Wilmington	New Castle County
19801	18	46	Wilmington	New Castle County
19943	17	39	Felton	Kent County
19808	17	38	Wilmington	New Castle County
19973	16	37	Seaford	Sussex County
19966	16	34	Millsboro	Sussex County
19947	14	38	Georgetown	Sussex County
19977	13	32	Smyrna	Kent County
19938	12	28	Clayton	Kent County
19956	10	27	Laurel	Sussex County
19962	10	26	Magnolia	Kent County
19734	10	23	Townsend	New Castle County
19934	9	22	Camden Wyoming	Kent County
19803	9	21	Wilmington	New Castle County
19806	8	21	Wilmington	New Castle County

³ Zip codes used in this analysis are based on borrower residence addresses. Borrowers with more than one residence zip code during the reporting period may be counted multiple times.

Short-Term Consumer Loan Defaults

Of the 3,584 short-term consumer loans opened during the period from January 2017 through December 2017, borrowers have defaulted on 1,065 loans, representing a default rate of 29.7%.

The 1,065 defaults represent a total outstanding advance amount of approximately \$482 thousand, or approximately 156.1% of the \$309 thousand total interest and fees earned during the analysis period.

Provider Locations

There were 142 active licensee store locations as of December 31, 2017.

System Availability

Overall system availability averaged 99.99% from January 2017 through December 2017 including scheduled maintenance.

