



STATE OF DELAWARE
OFFICE OF THE STATE BANK COMMISSIONER
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March 4, 2020

The Honorable Trey Charles Paradee
Chairman
Senate Banking, Business & Insurance Committee
Legislative Hall
Dover, Delaware 19901

The Honorable William Bush
Chairman
House Economic Development/Banking/Insurance & Commerce Committee
Legislative Hall
Dover, Delaware 19901

Re: Short-Term Consumer Loan Database 2019 Operations Report

Dear Senator Paradee and Representative Bush:

Enclosed for your information is a report about the 2019 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,

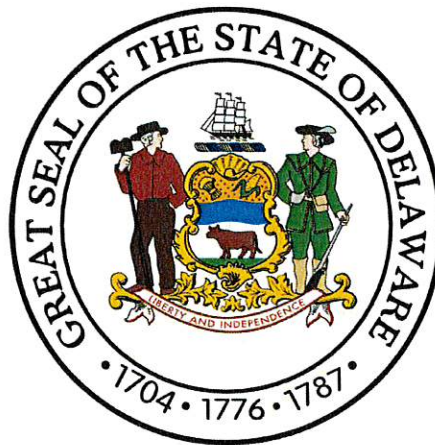
A handwritten signature in dark ink, reading "Robert A. Glen".

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, 2019



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
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").

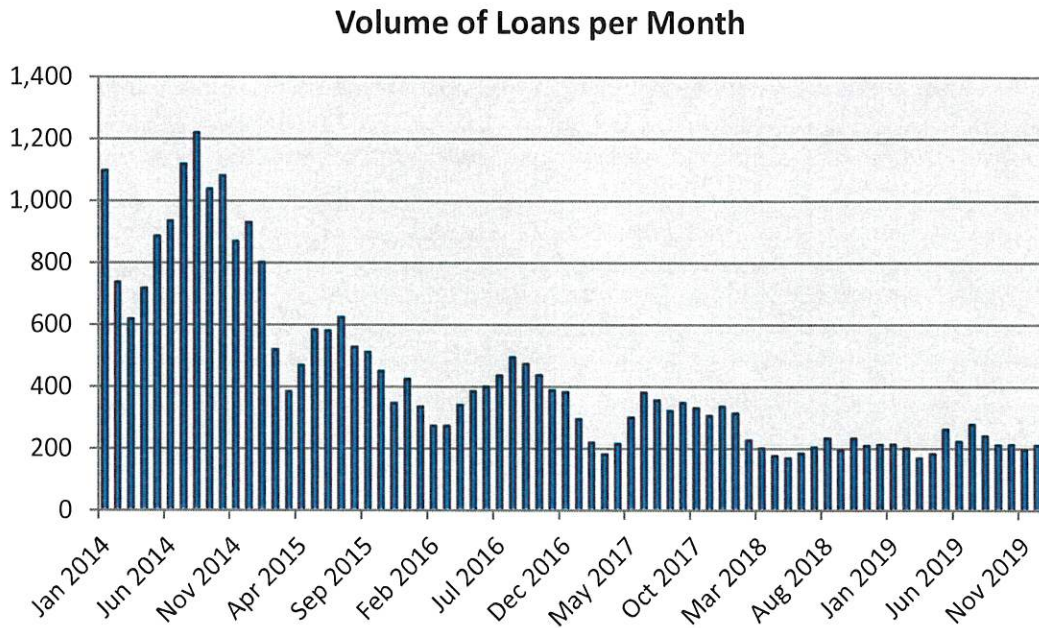
THE INFORMATION CONTAINED IN THIS REPORT IS BASED ON SHORT-TERM CONSUMER LOANS REGISTERED TO THE SHORT-TERM CONSUMER LOAN PROGRAM DATABASE ("DATABASE") PURSUANT TO THE ACT. THE DATABASE WENT INTO EFFECT BEGINNING ON JANUARY 1, 2013. THE DATA PRESENTED IN THIS REPORT IS FOR THE PERIOD FROM JANUARY 2019 THROUGH DECEMBER 2019.

Program Statistics and Highlights

Short-Term Consumer Loan Volume

The total number of short-term consumer loans conducted from January 2019 through December 2019 was 2,603.¹

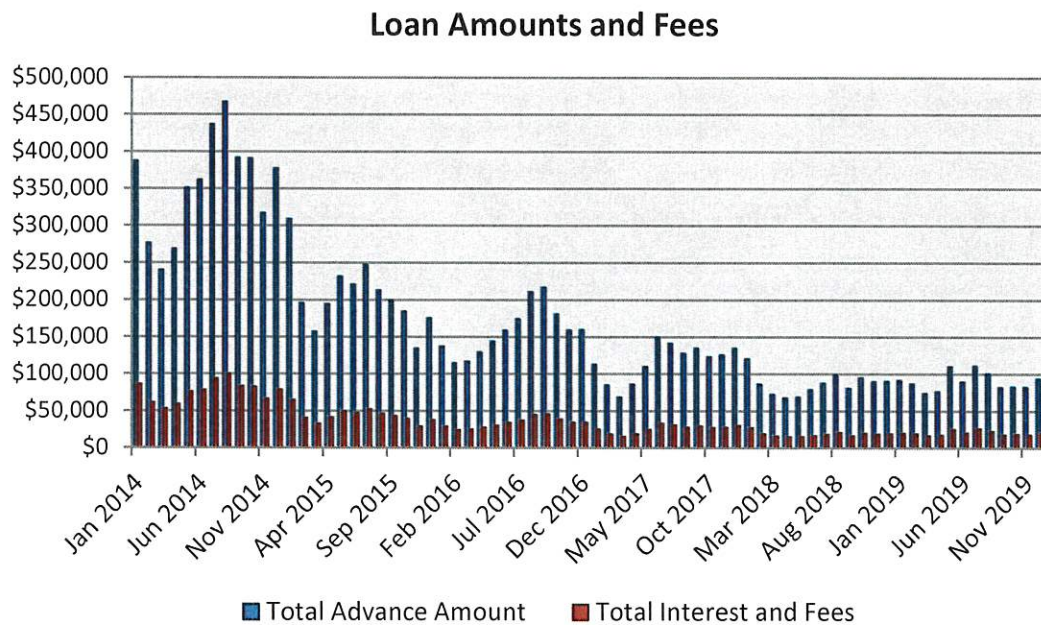
The average number of days short-term consumer loans were outstanding was 23.7 days.



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 2,603 short-term consumer loans conducted during the period from January 2019 through December 2019 represent a total advance amount of approximately \$1.1 million with total interest and fees of approximately \$241 thousand.

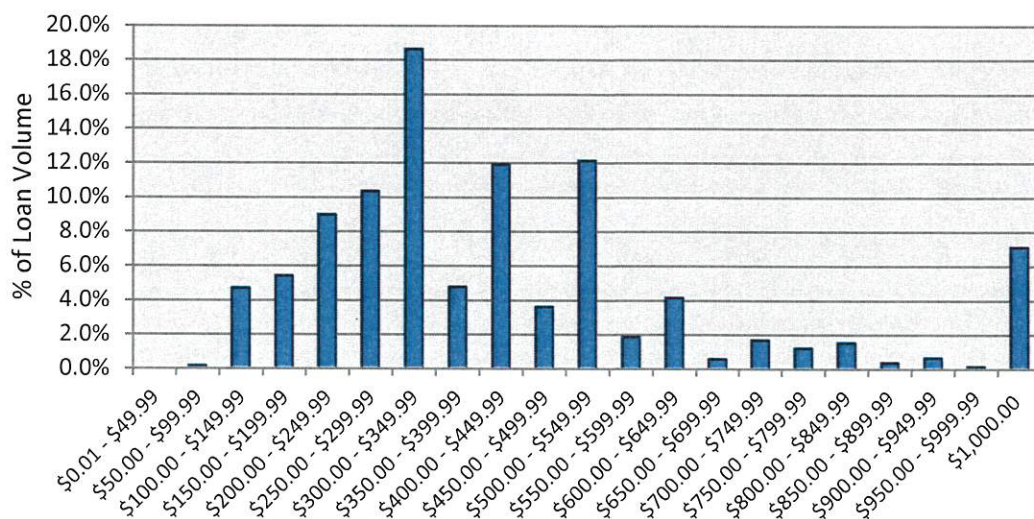


Short-Term Consumer Loan Amounts and Fees (continued)

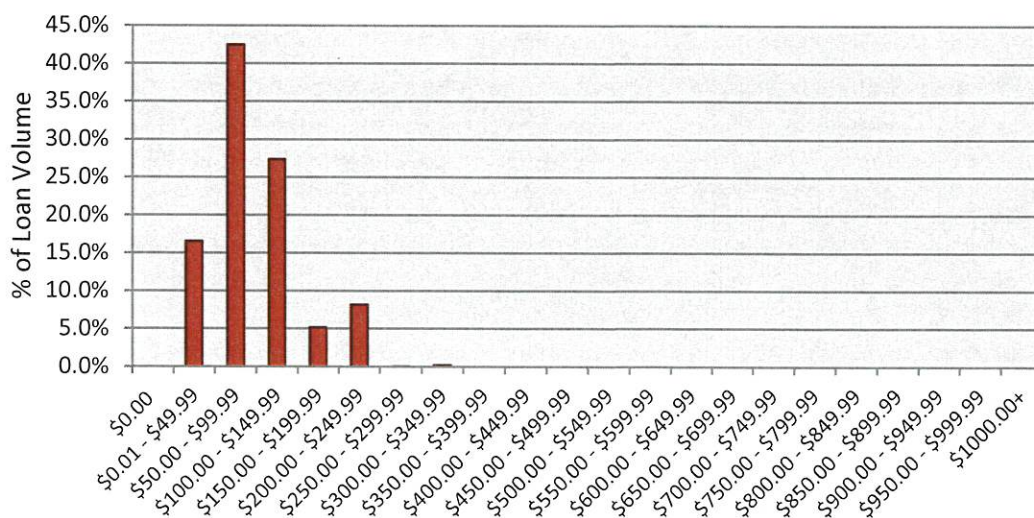
Advance amounts per transaction ranged from a minimum of \$80.00 to a maximum of \$1,000.00, with an average advance amount of \$412.14.

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 596.6.

Range of Advance Amounts



Range of Total Fee Amounts

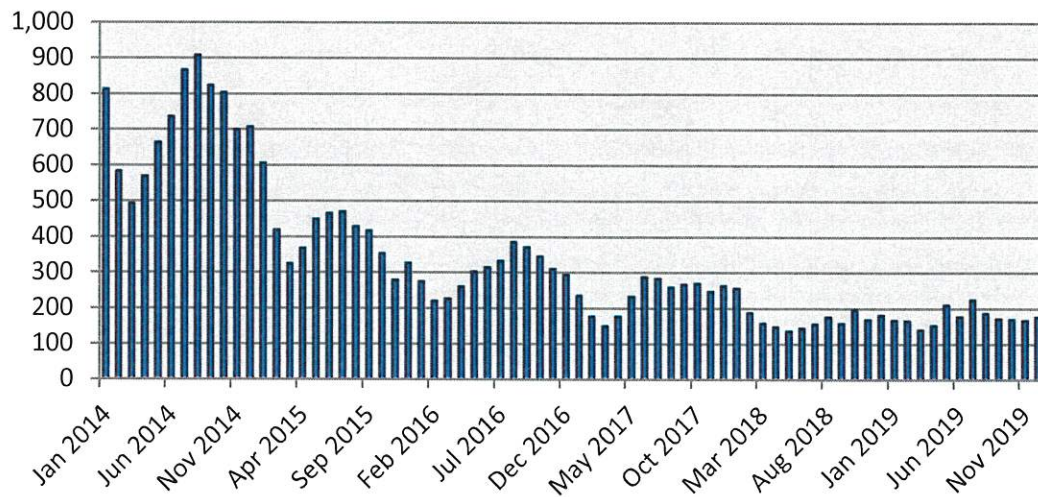


Borrower Usage of Short-Term Consumer Loans

There were 1,071 borrowers who opened at least one loan during the period from January 2019 through December 2019.

The average gross monthly income of borrowers from January 2019 through December 2019 was \$3,397.22.²

Borrowers per Month



During the period from January 2019 through December 2019 approximately 59% of borrowers opened 2 or fewer loans.

Number of Loans	Number of Borrowers	% of Total Borrowers	Number of Loans	% of Total Loans
1	445	41.5%	445	17.1%
2	183	17.1%	366	14.1%
3	158	14.8%	474	18.2%
4	107	10.0%	428	16.4%
5	178	16.6%	890	34.2%
6	0	0.0%	0	0.0%
Totals	1,071	100.0%	2,603	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 2019 through December 2019.³

Zip Code	# Borrowers	# Transactions	Primary City	County
19720	69	172	New Castle	New Castle County
19702	66	172	Newark	New Castle County
19709	44	105	Middletown	New Castle County
19713	40	92	Newark	New Castle County
19703	37	94	Claymont	New Castle County
19901	33	77	Dover	Kent County
19805	31	60	Wilmington	New Castle County
19701	30	70	Bear	New Castle County
19904	28	77	Dover	Kent County
19802	28	74	Wilmington	New Castle County
19973	20	52	Seaford	Sussex County
19711	20	46	Newark	New Castle County
19801	19	47	Wilmington	New Castle County
19808	17	41	Wilmington	New Castle County
19977	15	44	Smyrna	Kent County
19810	15	39	Wilmington	New Castle County
19947	14	39	Georgetown	Sussex County
19963	13	32	Milford	Sussex County
19809	11	28	Wilmington	New Castle County
19804	11	26	Wilmington	New Castle County
19933	9	27	Bridgeville	Sussex County
19734	9	18	Townsend	New Castle County
19966	9	18	Millsboro	Sussex County
19956	8	22	Laurel	Sussex County
19934	7	17	Camden Wyoming	Kent County
19938	7	17	Clayton	Kent County
19952	6	10	Harrington	Kent County
19962	5	19	Magnolia	Kent County
19946	5	15	Frederica	Kent County
19806	5	5	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 2,603 short-term consumer loans opened during the period from January 2019 through December 2019, borrowers have defaulted on 1,021 loans, representing a default rate of 39.2%.

The 1,021 defaults represent a total outstanding advance amount of approximately \$467 thousand, or approximately 193.5% of the \$241 thousand total interest and fees earned during the analysis period.

Provider Locations

There were 143 active licensee store locations as of December 31, 2019.

System Availability

Overall system availability averaged 100.00% from January 2019 through December 2019 including scheduled maintenance.

