Title Loans

Car Title Loans, like Pay Day Loans, are marketed as small “short-term” 30-day loans but with one significant difference. The borrower is putting at risk a highly valuable assets - their vehicle - something that is essential to most working individuals.

Typically all that is needed to qualify:
> Identification
> A clean title on your vehicle

That’s it... really. No credit check and most concern there is no verification of income. These loan companies have very little regard for the borrower’s ability to actually repay the loan. Why? The borrower just signed over the title for their vehicle for a loan worth no more than 26% of its real value.

FACT: The typical Car Title Loan customer borrows $950, on average refines 8 times resulting in paying $2,142 in finance charges or a total payback of $3,092. Additionally, 1 out of 6 borrowers will face repossession issues.

"BAD" Loan Alternatives

In financial crisis?
Don’t just apply a band-aid

There are options to these “bad loans” - even for consumers with bad credit. These include pawnbrokers, credit union loans with lower interest and more stringent credit payment plans, paycheck cash advances from employers, emergency community assistance plans, direct assistance from local churches and non-profit agencies, small consumer loans and direct loans from family or friends.

MANAGE YOUR MONEY, DON’T LET IT MANAGE YOU!

Take a free budgeting class to learn strategies for managing money. These are available through community colleges, churches and other organizations. There are many ways to “s-t-r-e-t-c-h” your income to survive a difficult economy. Become an educated consumer!
You've heard all the advertisements for "Quick Cash" Bad Credit? No Credit? No Problem!" "Instant approval-Get your money today!"

**BEWARE! Know the FACTS before you act.**

The most common "short-term" loans:

- Pay Day Loans
- Cash Advances
- Internet Loans
- Car Title Loans

**FACT:** The nation’s largest lender of these type of loans has publicly stated that they do not start making a profit on a loan until it has been “rolled over” between four to five times...think about that!

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**The Danger**

These type of loans are set up to exploit your financial hardship for HUGE profits!

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**The Problem**

These loans are advertised as small, "short-term" but in reality they end up being anything but short-term.

**FACT:** Nationally 80% of "short-term" loan borrowers extend, or "roll-over" their loan(s) because they cannot make the payment when due as a result of short payback period and the excessively high financing fees and interest charges.

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**The REAL Problem**

Is that the companies that finance these loans depend on borrower refinancing to make money and exploit it by structuring their business focused on one primary goal: to trap YOU, the borrower, into a “Cycle of Debt” through refinancing or rolling over the loan.

**FACT:** The typical Payday Loan customer borrows $325, on average, has to refinance the loan for 8 months which results in the borrower paying $468 in finance charges or a total payback of $793.

Also known as a "Cash Advance" or "Internet Loan" are marketed as small "short-term" 14 day loans for usually for $200-$500 plus a finance charge which on average is $15-$20 for each $100 borrowed which equates to an annual percentage rate (APR) of 360% to 480%.

Typically all that is needed to qualify is:

- Identification.
- A bank account in good standing.
- A steady source of income.

That’s it, well except for one additional requirement. The borrower must give the loan company either a post-dated check or authorization to debit their bank account on date due.