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Illinois Trends Report Select Consumer Loan Products Through December 2021

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IDFPR

Illinois Department of
Financial and Professional Regulation

Division of Financial Institutions

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Letter from the Director

I am pleased to share the Illinois Department of Financial and Professional Regulation's 2021 Trends Report.

Governor JB Pritzker signed Public Act 101-0658 ("Act") into law on March 23, 2021, ushering in major changes in consumer lending and loan reporting laws. The Act is part of the Illinois Legislative Black Caucus' 2021 Economic Access, Equity and Opportunity Pillar. The Act includes the Predatory Loan Prevention Act ("PLPA"), which established an "all in" 36% annual percentage rate cap similar to the rate cap on loans under the federal Military Lending Act.

The Act also altered the composition of lenders who must report to the database. Before the Act, only loans made with APRs over 36% were required to report to the database. As such, the Department promulgated new rules, in collaboration with Veritec and licensees, which went into effect on August 1, 2022. Under the new rules, all Consumer Installment Loan Act ("CILA") licensees must report CILA loans made on or after November 1, 2022, within 90 days of making the loan.

For CILA loans, this report only represents data collected through March 23, 2021, when the Act went into effect. A few Payday Loan Reform Act ("PLRA") licensees transitioned to lending pursuant to the PLPA rate cap and continued reporting the loans post-PLPA.

Since Public Act 101-0658 went into effect, the number of CILA licenses dropped by 43% and PLRA licenses by 95%. Most of the surrendered licenses operated high-cost payday and automobile title lending companies. The Act also eliminated the small consumer loan and installment payday loan products offered by high-cost lenders. Since the PLPA "all-in 36%" rate cap went into effect, the Department has continued to receive new applications for consumer installment lending licenses.

I hope you find the information contained in this year's Trend Report useful.

Thank you,

Francisco Menchaca
Director, Division of Financial Institutions.

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ABOUT THE INFORMATION IN THIS REPORT

THIS REPORT IS BASED ON STATISTICAL INFORMATION REQUIRED UNDER THE PAYDAY LOAN REFORM ACT (“PLRA”), 815 ILCS § 122/1 ET SEQ.; THE CONSUMER INSTALLMENT LOAN ACT, 205 ILCS § 670/1 ET SEQ., AND THE ADMINISTRATIVE RULES FOR TITLE-SECURED LENDING, 38 ILL. ADMIN CODE §§ 110.300-430.

THE INFORMATION CONTAINED IN THIS REPORT IS BASED ON LOAN DATA REGISTERED TO THE ILLINOIS PLRA CONSUMER REPORTING SERVICE (“DATABASE”) PURSUANT TO THE ACT. THE ACT WAS EFFECTIVE ON DECEMBER 6, 2005, AND THE DATABASE WENT INTO EFFECT BEGINNING IN FEBRUARY 2006. THE DATA PRESENTED IN THIS REPORT IS FOR THE PERIOD FROM JANUARY 2012 THROUGH DECEMBER 2021.

Illinois Trends Report – Select Consumer Loan Products

Illinois Trends Report Overview

The Illinois Department of Financial & Professional Regulation’s Division of Financial Institutions (“DFI”) is responsible for regulating, examining, and monitoring credit unions, currency exchanges, money transmitters, consumer installment lenders, payday lenders, consumer legal funders, collection agencies, title insurance companies, and sales finance companies, among other licensed entities. DFI is committed to providing clear and understandable information to the businesses and residents of Illinois.

The Illinois Trends Report is a summary of consumer transactions for certain credit products in Illinois. The report describes various consumer loan products, the number of borrowers for each product, the volume of transactions and related information. Some loans were excluded from the data because information about the loan was not completely entered into the database.

The Illinois Trends Report only contains information about loan types that were required by statute to be reported to the Veritec Consumer Reporting system. In 2021, licensees required to use Veritec included:

- a. Payday Loan Reform Act licensees.
- b. Consumer Installment Loan Act licensees that offer title-secured loans with APRs over 36%.
- c. Consumer Installment Loan Act licensees that offer small consumer loans (until the product was repealed on March 23, 2021).

The Illinois Trends Report does not contain information about any other DFI licensees, including Sales Finance Agencies and Consumer Installment Loan Act licensees who do not offer title-secured or small consumer loans as defined before the PLPA.

As of December 31, 2021, the Consumer Credit Section licensed a total of 900 entities. The table below shows the number of licensed entities per year:

Date	Consumer Credit Section Total Active Licenses
12/31/2016	2,240
12/31/2017	1,965
12/31/2018	1,894
12/31/2019	1,904
12/31/2020	1,813
12/31/2021	900

Illinois Trends Report – Select Consumer Loan Products

Depository institutions like banks and credit unions do not require a CILA or PLRA license to make consumer loans in Illinois. Their lending data is not reported to Veritec and not part of this report. Similarly, pawnbrokers are governed by a separate statute. Their loans are not reported here. The report also does not capture unlicensed lending.

The Trends Report tracks consumer loan products from January 2012 through December 2021. Below is a summary of recent transaction volume for various consumer loan products.

The average gross monthly income of Illinois borrowers with loans reported to the database from January 2012 through December 2021 was \$2,803.11, or approximately \$33,637 annually.

Supporting information for this data, including the period 2012 through 2021, may be found in detail within the following report.

The report is available through DFI's website at:

idfpr.illinois.gov > Financial Institutions > Consumer Credit > Illinois Trends Report

Illinois Trends Report – Select Consumer Loan Products

Summary of APR

The Annual Percentage Rate (“APR”) is the annual rate charged on a loan as characterized by a percentage rate that represents the annual cost of borrowing. CILA and PLRA adopt the federal Truth in Lending Act rules for calculating APR found in Regulation Z [12 CFR 1026].

Broadly speaking, APR is calculated by considering what a borrower will pay the lender relative to the amount borrowed given the duration of the loan. APR calculations take interest and other fees into account allowing borrowers to evaluate the true cost of each loan and compare loans apples-to-apples.

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Illinois Trends Report – Select Consumer Loan Products

Select Consumer Loan Products

Products included in this report consist of payday loans, title-secured loans, installment payday loans, and small consumer loans.

Consumer Credit Products Contained in this Report

Until March 23, 2021, a payday loan (“PL”) was a loan with a finance charge exceeding an APR of 36% and with a minimum term no less than 14 days and no longer than 45 days. No lender was permitted to charge more than \$15.50 per \$100 loaned, or an APR of approximately 404%. Since March 23, 2021, a payday loan may charge a finance charge of no more than 36% APR. Licensees have been required to input payday loans into the database since 2006. Licensees are required to input payday loan data into the database at the time the loan is opened and update the database when certain events occur.

Installment payday loans were created pursuant to the Payday Loan Reform Act (“PLRA”) in 2011. Until March 23, 2021, an installment payday loan (“IPL”) was a loan with a finance charge exceeding an APR of 36% and with a term no less than 112 days and no longer than 180 days. No lender was permitted to charge more than \$15.50 per \$100 loaned, or an APR of approximately 404%. After March 23, 2021, installment payday loans are no longer permitted under Illinois law. Before the IPL product was repealed, licensees were required to input installment payday loan data into the database at the time the loan was opened and update the database when certain events occur.

Until March 23, 2021, a title-secured loan (“title loan”), pursuant to the Consumer Installment Loan Act (“CILA”), was a loan upon which interest was charged at an annual percentage rate exceeding 36%, and in which, at commencement, the obligor provided to the licensee, as security for the loan, physical possession of the obligor’s title to a motor vehicle. After March 23, 2021, title-secured loans are loans upon which interest is charged at a rate over 9% APR and in which, at commencement, the obligor provides to the licensee, as security for the loan, physical possession of the obligor’s title to a motor vehicle. Title-secured loans may not charge an APR greater than 36%. Beginning in October of 2009, licensees were required to input title-secured loans into the database. Licensees were required to input title-secured loan data into the database at the time the loan was opened and update the database when certain events occur. Between March 23, 2021 and December 31, 2021, title-secured loans were not required to be input into the database.

Before March 23, 2021, a small consumer installment loan (“SCL”), pursuant to CILA, was a loan upon which interest could be charged at an APR greater than 36% but less than 99%. The amount financed for an SCL could not exceed \$4,000. SCL did not include title loans. Small consumer loans were created by CILA in 2011. Beginning in March of 2011, licensees were required to input SCL data into

Illinois Trends Report – Select Consumer Loan Products

the database. Licensees were required to input SCL data into the database no more than 90 days after the loan was opened. SCLs were eliminated after March 23, 2021.

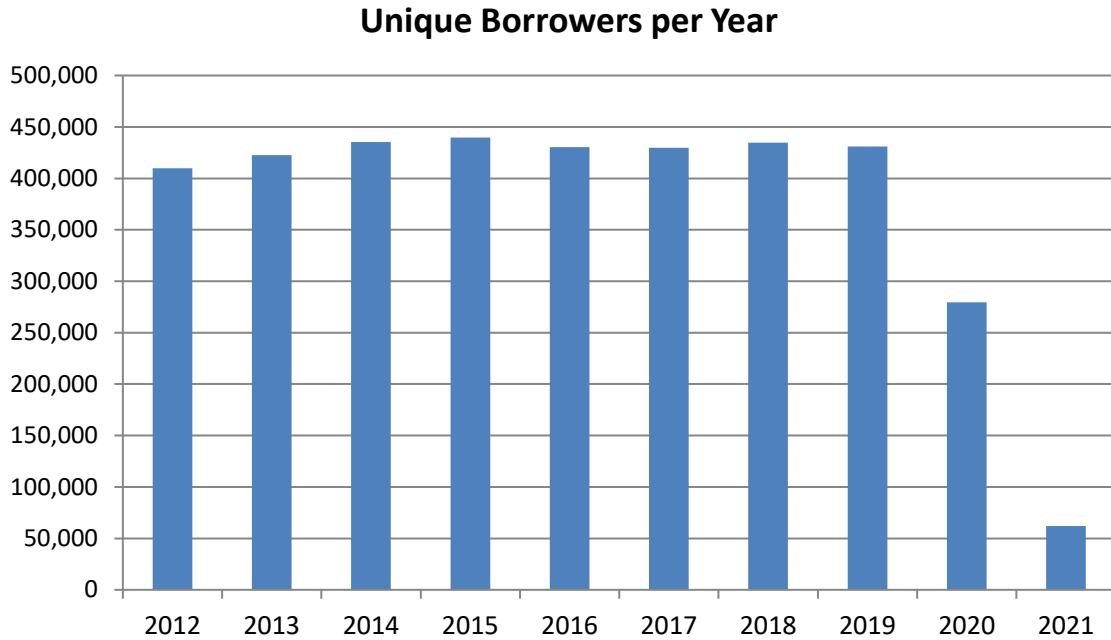
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Illinois Trends Report – Select Consumer Loan Products

Number of Borrowers

From January 2012 through December 2021, 1,417,525 borrowers took out 9,458,958 loans, or an average of 6.7 loans per borrower.

The number of unique borrowers for each year is presented in the graph below:



Illinois Trends Report – Select Consumer Loan Products

Number of Borrowers (continued)

Year	Unique Borrowers over All Products ^{1 2}	Unique Borrowers using PL	Unique Borrowers using IPL	Unique Borrowers using Title	Unique Borrowers using SCL
2012	409,853	47,891	198,728	82,312	166,487
2013	422,705	48,116	202,408	86,911	171,348
2014	435,314	54,398	205,836	83,988	180,649
2015	439,552	64,906	198,553	74,758	190,556
2016	430,344	70,554	190,025	67,485	191,808
2017	429,699	58,184	189,299	61,371	205,050
2018	434,571	47,967	190,070	55,166	224,190
2019	431,018	47,290	190,616	49,346	230,315
2020	279,568	28,746	112,408	29,004	154,414
2021	62,102	21,639	22,739	3,924	31,532

The average monthly gross income of Illinois borrowers with loans reported to the database from January 2012 through December 2021 was \$2,803.11, or approximately \$33,637 annually.

The distributions of borrower incomes during 2012 as well as 2016 through 2021 are shown in the table below:

Year	Annual Income for Borrowers of Tracked Products		
	< \$30k	\$30k - \$50k	> \$50k
2012	62.6%	22.9%	14.6%
2016	56.0%	26.3%	17.6%
2017	53.3%	27.8%	18.9%
2018	51.4%	28.8%	19.9%
2019	48.3%	30.3%	21.4%
2020	46.5%	31.2%	22.2%
2021	40.1%	33.4%	26.5%

¹ Borrowers are determined to be “unique” based on social security number.

"All Products" totals may not match the sum of borrowers for each individual product because a borrower may utilize any number of products but will still only be counted once in the total.

² Loans that are designated administratively closed (essentially canceled) are not included in the reported data. As a result of this and other dynamic database processes, data shown may differ from previous reports.

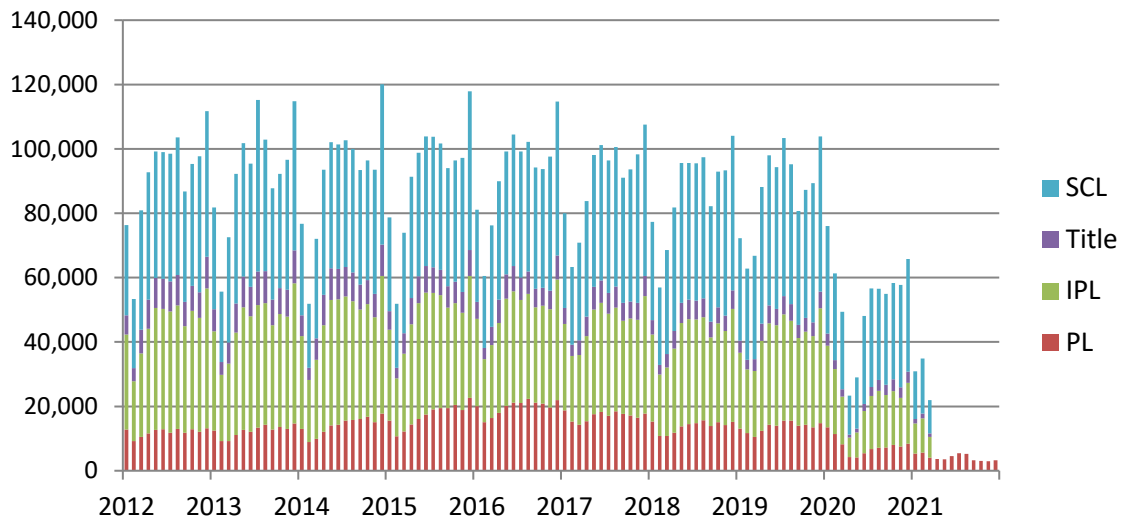
Illinois Trends Report – Select Consumer Loan Products

Transaction Volume and Amounts

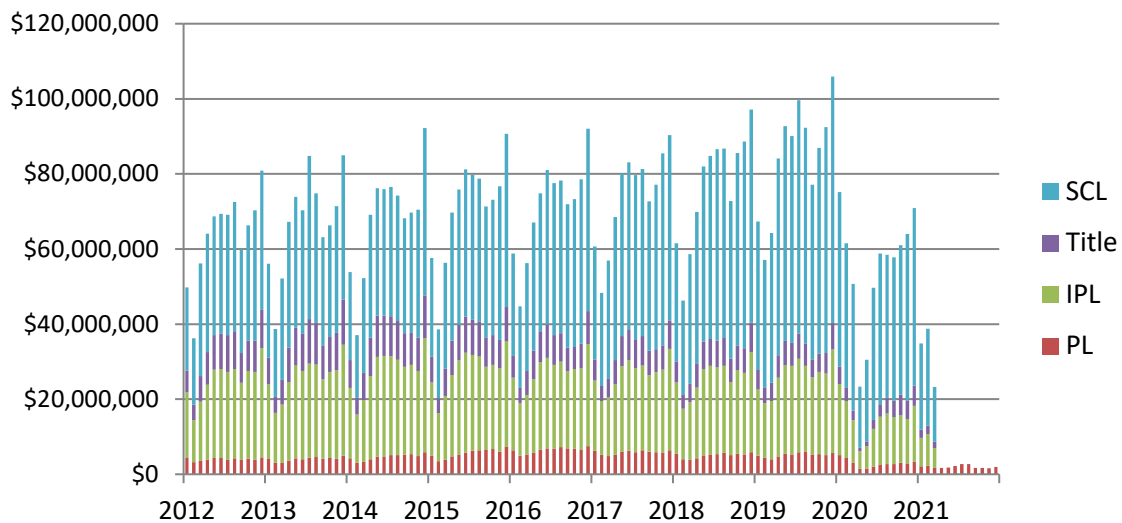
Total transaction volume from January 2012 through December 2021, including payday loans, installment payday loans, title loans, and small consumer loans, was 9,458,958 loans, with a total advance/principal amount of \$7.68 billion.

The PLPA, which established a 36% APR rate cap for all products, went into effect on March 23, 2021. The Department observed a precipitous reduction in payday, installment payday, title, and small consumer loan originations after the PLPA went into effect.

Transaction Volume per Month



Total Principal Amount per Month



Illinois Trends Report – Select Consumer Loan Products

Transaction Volume and Amounts (continued)

Annual volume information is presented in the following table.

Year	PL Volume ³	IPL Volume	Title Volume	SCL Volume	Total Volume	Change vs. Prior Year
2012	144,393	406,747	96,926	447,105	1,095,171	
2013	148,622	402,908	100,357	457,113	1,109,000	1.3%
2014	169,366	403,667	96,046	434,701	1,103,780	-0.5%
2015	206,425	377,608	83,823	441,570	1,109,426	0.5%
2016	237,724	358,018	75,381	442,044	1,113,167	0.3%
2017	204,197	351,569	68,446	460,682	1,084,894	-2.5%
2018	165,714	345,188	61,497	469,053	1,041,452	-4.0%
2019	163,673	338,728	55,127	484,590	1,042,118	0.1%
2020	91,952	188,651	32,830	323,750	637,183	-38.9%
2021	49,954	26,510	4,011	42,292	122,767	-
Total	1,582,020	3,199,594	674,444	4,002,900	9,458,958	

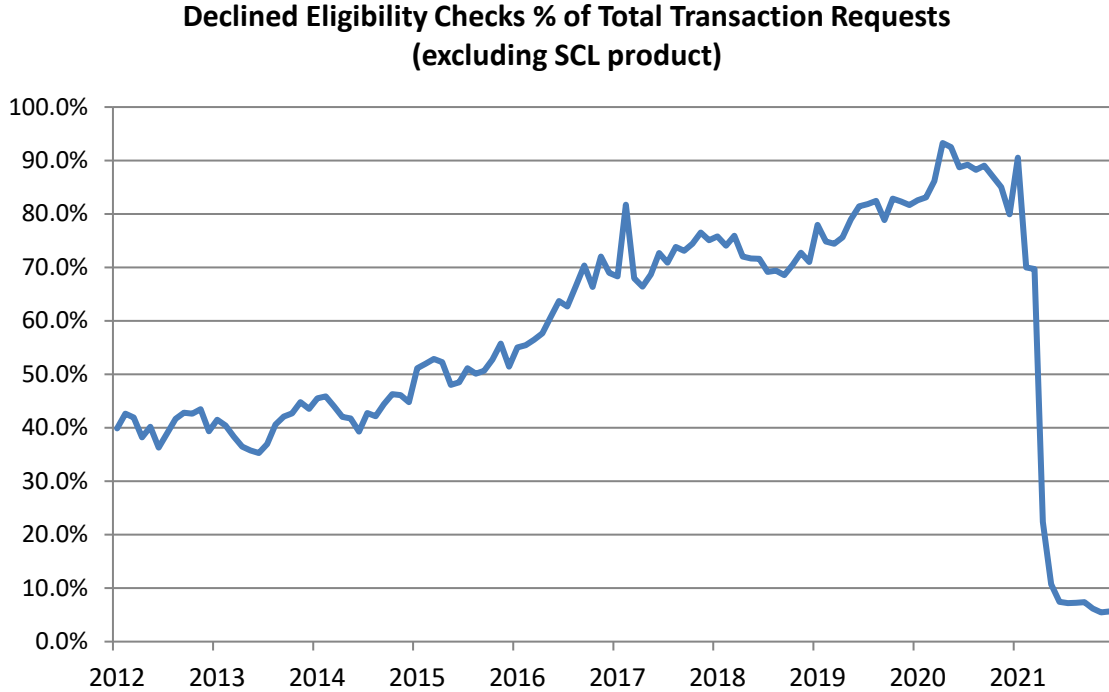
Year	PL Principal	IPL Principal	Title Principal	SCL Principal	Total Principal	Change vs. Prior Year
2012	\$48,067,158	\$255,298,530	\$98,574,914	\$361,376,288	\$763,316,891	
2013	\$48,659,011	\$264,673,572	\$110,585,132	\$379,854,167	\$803,771,882	5.3%
2014	\$55,426,168	\$275,683,525	\$109,921,630	\$374,612,457	\$815,643,779	1.5%
2015	\$67,428,253	\$267,793,548	\$97,903,340	\$416,483,470	\$849,608,610	4.2%
2016	\$77,656,695	\$251,708,557	\$84,028,452	\$440,769,346	\$854,163,051	0.5%
2017	\$69,950,066	\$250,086,577	\$79,668,773	\$484,501,604	\$884,207,020	3.5%
2018	\$60,630,904	\$249,613,755	\$76,875,862	\$533,321,309	\$920,441,830	4.1%
2019	\$62,034,348	\$255,447,725	\$67,626,417	\$624,591,222	\$1,009,699,712	9.7%
2020	\$35,095,261	\$144,067,621	\$42,772,167	\$439,845,511	\$661,780,560	-34.5%
2021	\$24,079,453	\$21,301,058	\$6,168,843	\$63,310,589	\$114,859,944	-
Total	\$549,027,317	\$2,235,674,468	\$774,125,530	\$4,118,665,963	\$7,677,493,277	

³ See FN 2, *supra*, (page 10) regarding changes in the data from previous reports.

Illinois Trends Report – Select Consumer Loan Products

Declined Eligibility Checks⁴

Declined eligibility checks for PL, IPL, and Title products averaged approximately 67.0 percent of total transaction requests from January 2012 through December 2021.⁵



⁴ Transactions and declines for small consumer loans are not included in this section because lenders offering small consumer loans were not required to check eligibility in the database before making the loan.

⁵ Data includes multiple declined eligibility checks for the same borrower. Eligibility checks for IPL and Title products entered after March 23, 2021 are excluded.

Illinois Trends Report – Select Consumer Loan Products

Ineligibility for a Loan

The tables below provide annual information about the reasons for declined eligibility from January 2012 through December 2021.⁶

Total Declined Eligibility Checks by Reason

Year	Waiting Period	Restricted by Repayment Plan	Restricted by Consecutive Days in Product	Over Dollar Limit	Two Open Transactions	Other	Total
2012	43,442	2,338	196,949	79,988	114,878	5,643	443,238
2013	31,200	1,966	222,948	45,971	127,134	6,767	435,986
2014	30,547	3,076	265,320	47,777	164,802	7,286	518,808
2015	25,818	3,037	388,781	50,848	230,237	6,273	704,994
2016	26,239	4,994	741,099	58,007	373,127	6,506	1,209,972
2017	63,873	28,846	894,416	71,658	625,939	5,577	1,690,309
2018	36,564	12,058	794,628	56,457	556,086	4,967	1,460,760
2019	32,607	10,314	1,310,899	82,481	810,896	4,524	2,251,721
2020	18,728	9,750	1,347,659	63,865	668,670	3,074	2,111,746
2021	2,932	1,024	150,227	6,960	63,971	307	225,421
Total	311,950	77,403	6,312,926	564,012	3,735,740	50,924	11,052,955

Percentage of Total Declined Eligibility Checks by Reason

Year	Waiting Period	Restricted by Repayment Plan	Restricted by Consecutive Days in Product	Over Dollar Limit	Two Open Transactions	Other	Total
2012	9.8%	0.5%	44.4%	18.0%	25.9%	1.3%	100.0%
2013	7.2%	0.5%	51.1%	10.5%	29.2%	1.6%	100.0%
2014	5.9%	0.6%	51.1%	9.2%	31.8%	1.4%	100.0%
2015	3.7%	0.4%	55.1%	7.2%	32.7%	0.9%	100.0%
2016	2.2%	0.4%	61.2%	4.8%	30.8%	0.5%	100.0%
2017	3.8%	1.7%	52.9%	4.2%	37.0%	0.3%	100.0%
2018	2.5%	0.8%	54.4%	3.9%	38.1%	0.3%	100.0%
2019	1.4%	0.5%	58.2%	3.7%	36.0%	0.2%	100.0%
2020	0.9%	0.5%	63.8%	3.0%	31.7%	0.1%	100.0%
2021	1.3%	0.5%	66.6%	3.1%	28.4%	0.1%	100.0%
Total	2.8%	0.7%	57.1%	5.1%	33.8%	0.5%	100.0%

⁶ A borrower may be ineligible for a loan for several reasons, including but not limited to: repayment plan restrictions; waiting period; restricted by consecutive days in product; over the dollar limit; and two open transactions. Definitions for ineligibility reasons for specific products are provided on page 20. Small consumer loans are not required by statute to check for eligibility.

Illinois Trends Report – Select Consumer Loan Products

Payday Loans

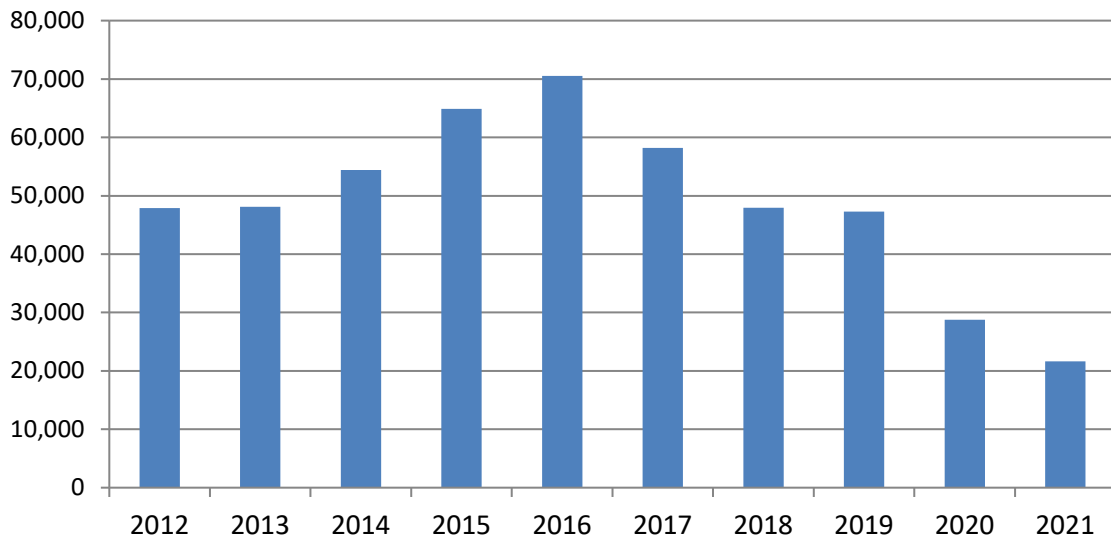
The PLPA, which established a 36% APR rate cap for all products, became effective on March 23, 2021. The Department observed a reduction in payday loan originations after the PLPA went into effect.

Payday Loan Borrowers

From January 2012 through December 2021, 263,269 payday loan borrowers took out 1,582,020 payday loans, or an average of 6.0 loans per borrower.

The number of unique payday loan borrowers for each year is presented in the graph below:

Unique Payday Loan Borrowers per Year



The average monthly gross income of Illinois payday loan borrowers with loans reported to the database from January 2012 through December 2021 was \$3,143.24, or approximately \$37,719 annually.

The distributions of payday loan borrower incomes during 2012 as well as 2016 through 2021 are shown in the table below:

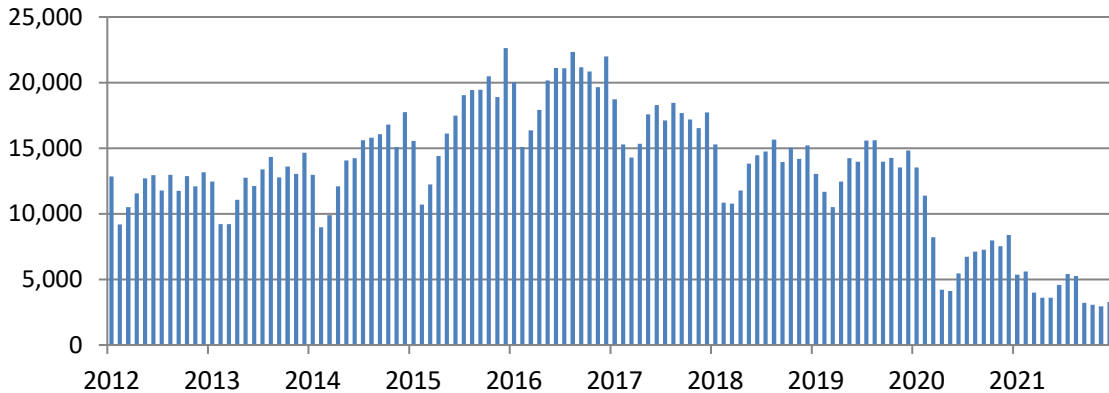
Year	Payday Loan Borrower Annual Income		
	< \$30k	\$30k - \$50k	> \$50k
2012	45.0%	31.9%	23.1%
2016	45.0%	32.5%	22.5%
2017	41.5%	33.6%	24.8%
2018	40.6%	33.3%	26.1%
2019	38.5%	34.9%	26.6%
2020	37.9%	34.8%	27.4%
2021	37.9%	35.3%	26.8%

Illinois Trends Report – Select Consumer Loan Products

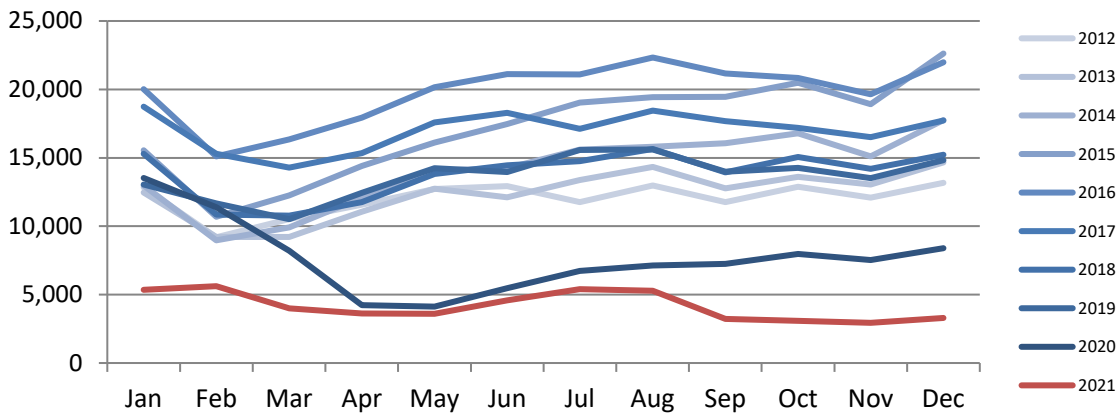
Payday Loan Transaction Volume

Total payday loan transaction volume from January 2012 through December 2021 was 1,582,020 loans, with a total advance/principal amount of \$549 million.⁷

Payday Loan Volume per Month



Payday Loan Volume Yearly Comparison



Year	Average Payday Loans per Borrower
2012	3.0
2016	3.4
2017	3.5
2018	3.5
2019	3.5
2020	3.2
2021	2.3

⁷ The PLPA, which established a 36% APR rate cap for all products, became effective on March 23, 2021. The Department observed a reduction in payday originations after the PLPA went into effect.

Illinois Trends Report – Select Consumer Loan Products

Payday Loan Transaction Volume (continued)

Payday loan transaction volume has decreased at an average annual rate of 7.3 percent from January 2012 through December 2021. Annual volume information for each is presented in the following table.⁸

Year	Transaction Count ⁹	Change vs. Prior Year
2012	144,393	-
2013	148,622	2.9%
2014	169,366	14.0%
2015	206,425	21.9%
2016	237,724	15.2%
2017	204,197	-14.1%
2018	165,714	-18.8%
2019	163,673	-1.2%
2020	91,952	-43.8%
2021	49,954	-45.7%

Payday Loan Average Term, Advance Amount, and Finance Charge

Year	% of Loans by Term Range		
	13 to 20 days	21 to 30 days	31 to 45 days
2012	68.6%	30.0%	1.4%
2013	69.6%	28.8%	1.6%
2014	68.2%	30.0%	1.8%
2015	60.4%	31.0%	8.6%
2016	56.3%	33.2%	10.4%
2017	59.1%	34.0%	6.9%
2018	65.1%	32.1%	2.9%
2019	63.9%	32.9%	3.1%
2020	63.0%	33.4%	3.6%
2021	53.3%	38.6%	8.1%

The payday loan transactions from January 2012 through December 2021 had the following features: average term: 18.9 days; average advance amount: \$347.04; average total fees: \$51.61; and an average APR of 287%.¹⁰

⁸ The PLPA, which established a 36% APR rate cap for all products, became effective on March 23, 2021. The Department observed a reduction in payday originations after the PLPA went into effect.

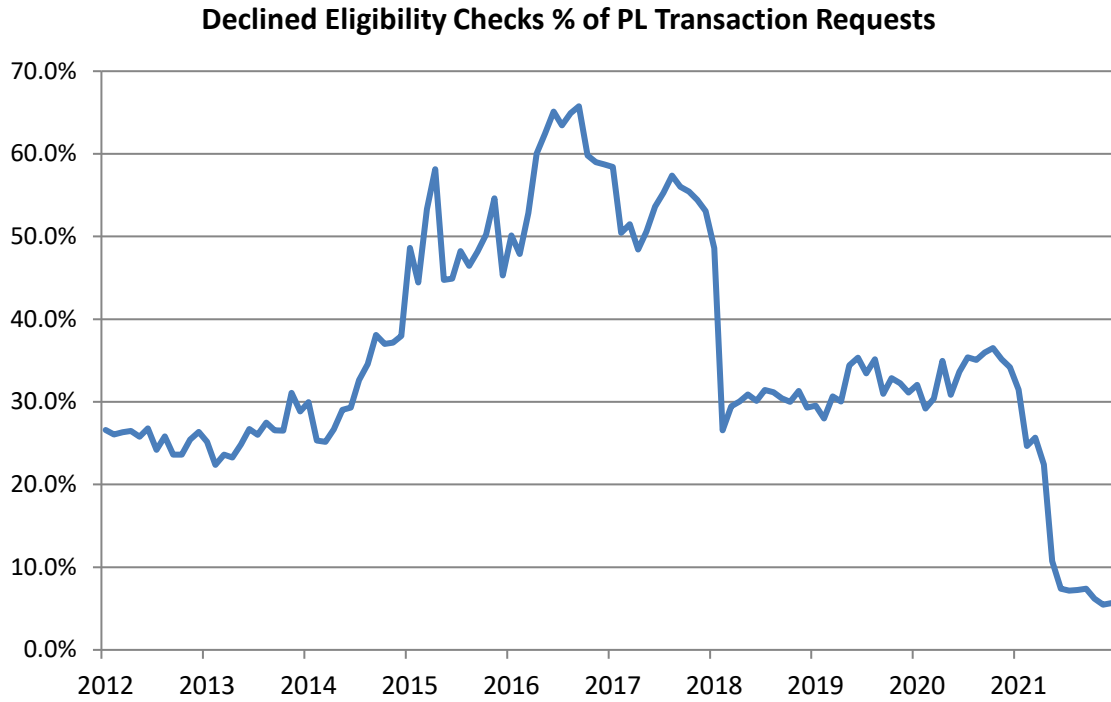
⁹ See FN 2, *supra*, (page 10) regarding changes in the data from previous reports.

¹⁰ Average APR is calculated using average loan term, amounts, and fees.

Illinois Trends Report – Select Consumer Loan Products

Declined Payday Loan Eligibility Checks

Declined eligibility checks for payday loans averaged approximately 43.1 percent of payday loan transaction requests from January 2012 through December 2021.¹¹



¹¹ Data includes multiple declined eligibility checks for the same borrower.

The PLPA, which established a 36% APR rate cap for all products, became effective on March 23, 2021. The Department observed a reduction in payday originations after the PLPA went into effect.

Illinois Trends Report – Select Consumer Loan Products

Ineligibility for a Payday Loan

The chart and table below provide annual information about the reasons for declined eligibility from January 2012 through December 2021.

Total Declined Eligibility Checks by Reason

Year	Waiting Period	Restricted by Repayment Plan	Restricted by Consecutive Days in Product	Over Dollar Limit	Two Open Transactions	Other	Total
2012	4,452	296	21,377	7,257	16,308	0	49,690
2013	4,979	257	22,416	7,556	17,978	0	53,186
2014	5,182	532	36,834	10,663	30,251	0	83,462
2015	4,978	950	119,076	13,991	60,393	0	199,388
2016	5,067	932	289,015	16,398	49,921	0	361,333
2017	34,563	16,180	142,609	12,367	34,588	0	240,307
2018	6,626	2,354	34,268	7,980	28,278	0	79,506
2019	3,824	1,042	31,128	8,776	33,049	0	77,819
2020	2,432	881	18,902	4,694	19,277	0	46,186
2021	602	144	4,821	756	2,858	0	9,181
Total	72,705	23,568	720,446	90,438	292,901	0	1,200,058

Percentage of Total Declined Eligibility Checks by Reason

Year	Waiting Period	Restricted by Repayment Plan	Restricted by Consecutive Days in Product	Over Dollar Limit	Two Open Transactions	Other	Total
2012	9.0%	0.6%	43.0%	14.6%	32.8%	0.0%	100.0%
2013	9.4%	0.5%	42.1%	14.2%	33.8%	0.0%	100.0%
2014	6.2%	0.6%	44.1%	12.8%	36.2%	0.0%	100.0%
2015	2.5%	0.5%	59.7%	7.0%	30.3%	0.0%	100.0%
2016	1.4%	0.3%	80.0%	4.5%	13.8%	0.0%	100.0%
2017	14.4%	6.7%	59.3%	5.1%	14.4%	0.0%	100.0%
2018	8.3%	3.0%	43.1%	10.0%	35.6%	0.0%	100.0%
2019	4.9%	1.3%	40.0%	11.3%	42.5%	0.0%	100.0%
2020	5.3%	1.9%	40.9%	10.2%	41.7%	0.0%	100.0%
2021	6.6%	1.6%	52.5%	8.2%	31.1%	0.0%	100.0%
Total	6.1%	2.0%	60.0%	7.5%	24.4%	0.0%	100.0%

Reasons for Declined Eligibility

Declined Eligibility due to Waiting Period Restrictions

A waiting period is the time prescribed by the PLRA that a borrower is prohibited from receiving an additional payday or installment payday loan upon payment of the initial payday or installment payday loan. This time may vary from 2 to 14 days based on the type of loan and repayment, maturity or repayment plan issues.

Declined Eligibility due to Over Dollar Limit

Over Dollar Limit indicates that the borrower has reached the maximum allowable monthly payday debt service for a payday loan(s). The maximum monthly payday debt service is the lesser of \$1,000 per month or 25% of gross income for payday Loans and 22.5% of gross income for installment payday loans. If the borrower has an existing installment payday loan and is seeking an additional payday loan the maximum allowable monthly payday debt service is limited to the lesser of \$1,000 or 22.5% of gross monthly income.

Declined Eligibility due to Two Open Transactions

A borrower is limited to having no more than two open payday loans, installment payday loans, or a combination thereof at any one time.

Restricted by Repayment Plan

A lender may not make a payday loan to a borrower who has a payday loan outstanding under a repayment plan and for at least 14 days after the outstanding balance of the loan under the repayment plan and the outstanding balance of all other payday loans outstanding during the term of the repayment plan are paid in full.

Restricted by Consecutive Days in Product

No payday loan may be made to a borrower if the loan would result in the borrower being indebted to one or more payday lenders for a period in excess of 45 consecutive days. If a borrower has or has had loans outstanding for a period in excess of 45 consecutive days, no payday lender may offer or make a loan to the borrower for at least 7 calendar days after the date on which the outstanding balance of all payday loans made during the 45 consecutive day period is paid in full.

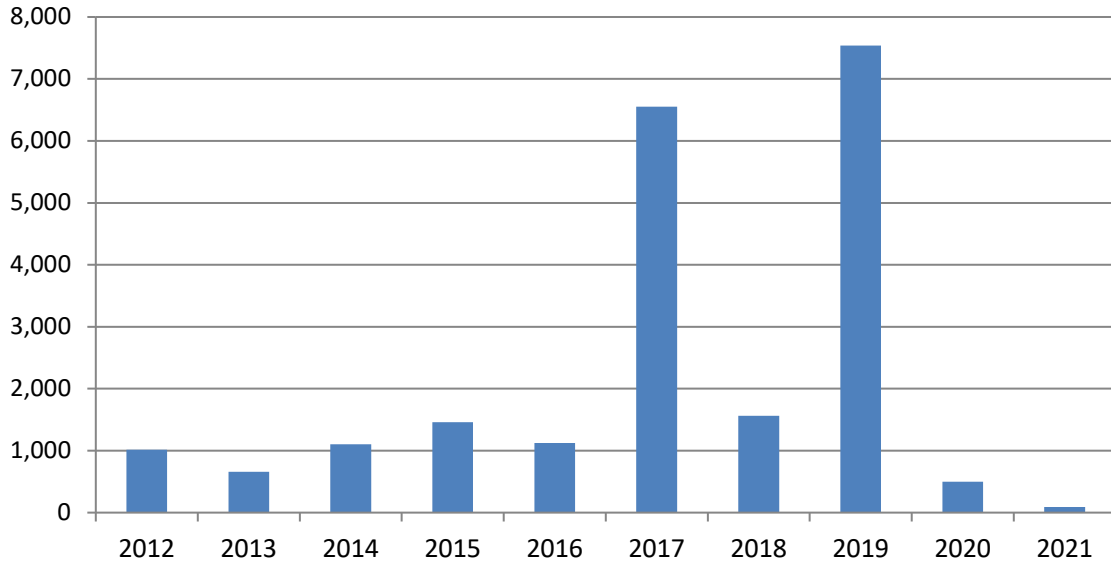
No installment payday loan may be made to a borrower if the loan would result in the borrower being indebted to one or more payday lenders for a period in excess of 180 consecutive days.

Illinois Trends Report – Select Consumer Loan Products

Repayment Plans

The total number of payday loan repayment plans registered from January 2012 through December 2021 was approximately 21,602, representing approximately 1.4% of the total payday loan transactions conducted.¹²

Repayment Plan Volume per Year



When a borrower has or has had one or more payday loans outstanding for 35 consecutive days, any payday loan outstanding on the 35th consecutive day shall be payable under the terms of a repayment plan as provided for in the Act. A borrower has until 28 days after the default date of the loan to request a repayment plan. Within 48 hours after the request for a repayment plan is made, the lender must prepare the repayment plan agreement and both parties must execute the agreement.

¹² The increases of repayment plans in 2017 and 2019 were due to the activity of a single online lender.

Illinois Trends Report – Select Consumer Loan Products

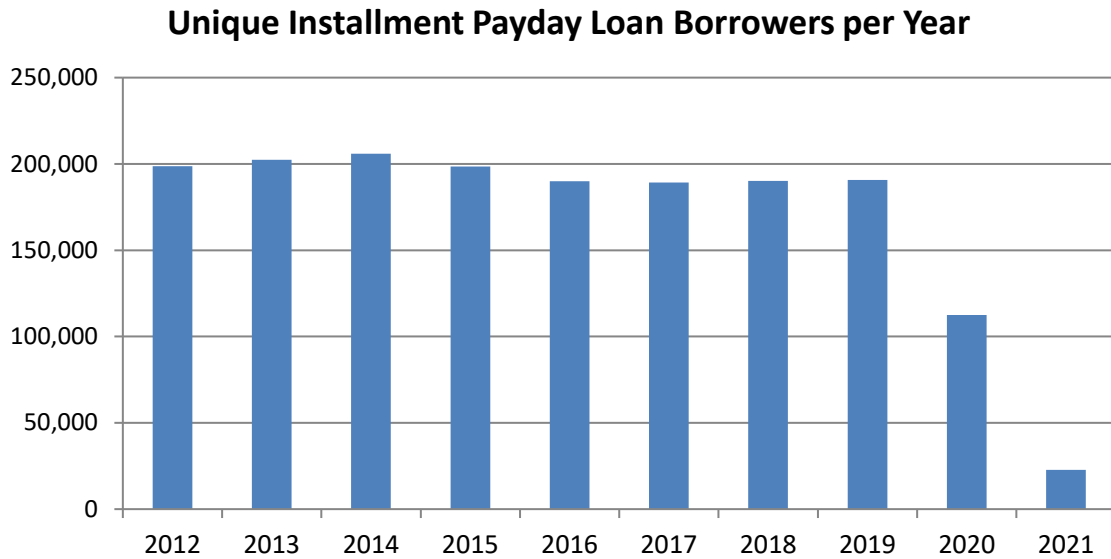
Installment Payday Loans

Installment payday loans were eliminated from the Payday Loan Reform Act on March 23, 2021. The Department observed a precipitous reduction in installment payday loan originations after the PLPA went into effect.

Installment Payday Loan Borrowers

From January 2012 through March 23, 2021, 772,722 installment payday loan borrowers took out 3,199,594 installment payday loans, or an average of 4.1 loans per borrower.

The number of unique installment payday loan borrowers per year is as follows:



The average monthly gross income of Illinois installment payday loan borrowers with loans reported to the database from January 2012 through March 23, 2021 was \$2,953.07, or approximately \$35,437 annually.

The distributions of installment payday loan borrower incomes during 2012 as well as 2016 through 2021 are shown in the table below:

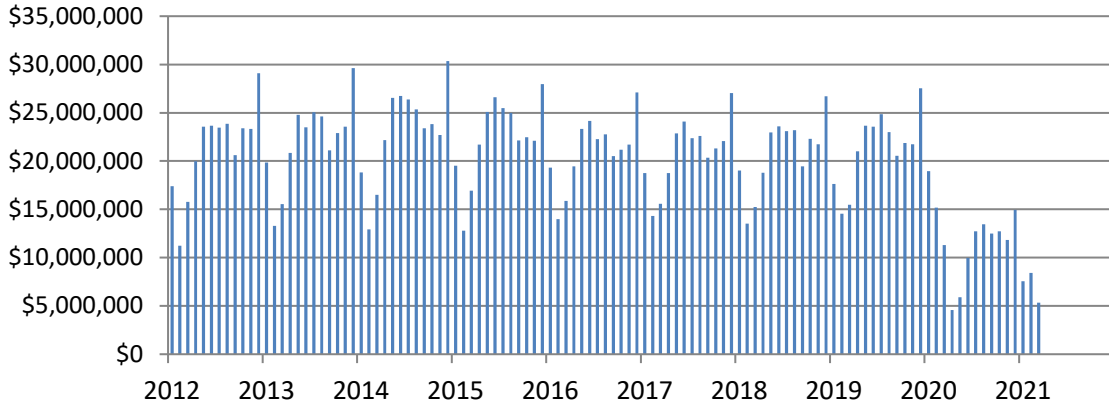
Year	Installment Payday Loan Borrower Annual Income		
	< \$30k	\$30k - \$50k	> \$50k
2012	54.2%	27.4%	18.5%
2016	51.0%	28.8%	20.3%
2017	48.9%	29.8%	21.3%
2018	47.7%	30.4%	21.9%
2019	44.8%	31.7%	23.5%
2020	44.5%	31.8%	23.6%
2021	40.6%	32.5%	26.9%

Illinois Trends Report – Select Consumer Loan Products

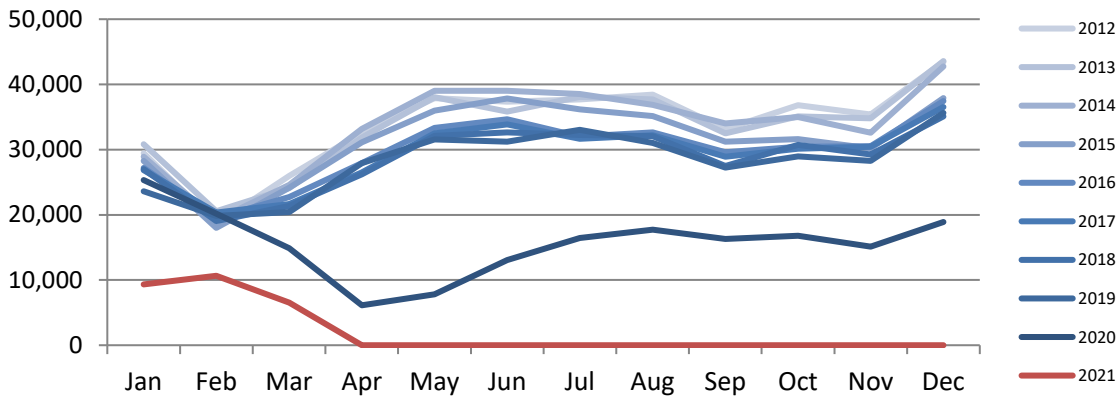
Installment Payday Loan Transaction Volume

Total installment payday loan volume from January 2012 through March 23, 2021 was 3,199,594 loans, with a total advance/principal amount of \$2.24 billion.¹³

IPL Total Principal Amount per Month



Installment Payday Loan Volume Yearly Comparison



Year	Average Installment Payday Loans per Borrower
2012	2.0
2016	1.9
2017	1.9
2018	1.8
2019	1.8
2020	1.7
2021	1.2

¹³ Installment payday loans were eliminated from the Payday Loan Reform Act on March 23, 2021. The Department observed a precipitous reduction in installment payday originations after the PLPA went into effect.

Illinois Trends Report – Select Consumer Loan Products

Installment Payday Loan Transaction Volume (continued)

Annual volume information for each year is presented in the following table.¹⁴

Year	Transaction Count ¹⁵	Change vs. Prior Year
2012	406,747	-
2013	402,908	-0.9%
2014	403,667	0.2%
2015	377,608	-6.5%
2016	358,018	-5.2%
2017	351,569	-1.8%
2018	345,188	-1.8%
2019	338,728	-1.9%
2020	188,651	-44.3%
2021	26,510	-

Installment Payday Loan Average Term, Advance Amount, and Finance Charge

Year	% of Loans by Term Range		
	112 to 140 days	141 to 160 days	161 to 180 days
2012	13.4%	13.8%	72.8%
2013	12.1%	14.3%	73.6%
2014	11.1%	14.5%	74.4%
2015	10.4%	14.6%	75.0%
2016	9.9%	14.5%	75.6%
2017	9.9%	14.6%	75.6%
2018	9.8%	14.2%	76.0%
2019	8.8%	14.7%	76.4%
2020	8.4%	15.8%	75.8%
2021	7.7%	15.5%	76.8%

The installment payday loan transactions from January 2012 through March 23, 2021 had the following features: average term: 163.3 days; average advance amount: \$698.74; average total fees: \$712.88; and an average APR of 228%.¹⁶

¹⁴ Installment payday loans were eliminated from the Payday Loan Reform Act on March 23, 2021. The Department observed a precipitous reduction in installment payday originations after the PLPA went into effect.

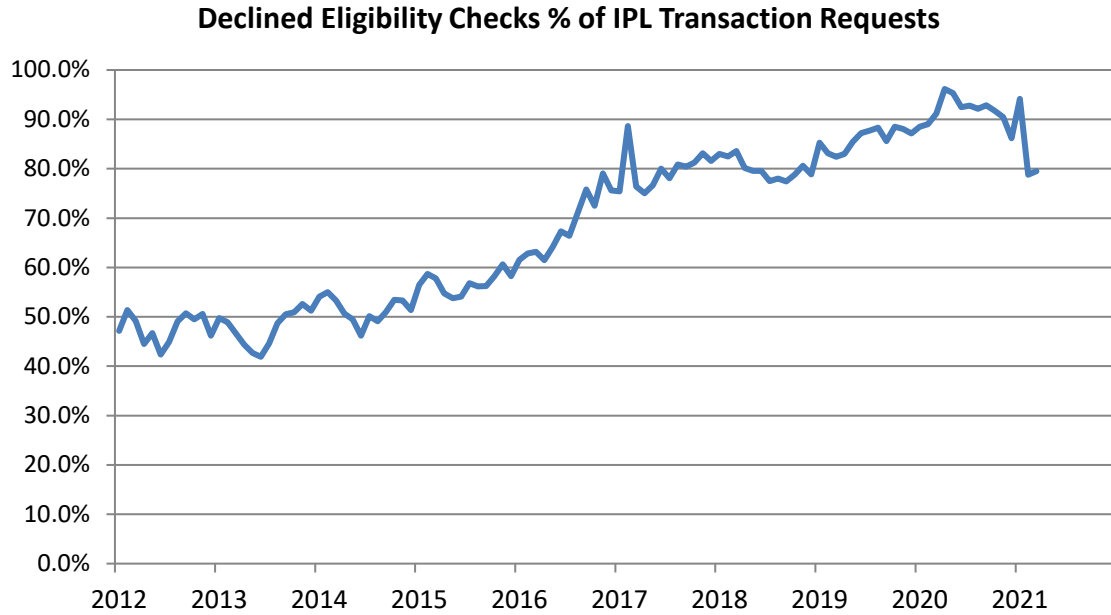
¹⁵ See FN 2, *supra*, (page 10) regarding changes in the data from previous reports.

¹⁶ Average APR is calculated using average loan term, amounts, and fees.

Illinois Trends Report – Select Consumer Loan Products

Declined Installment Payday Loan Eligibility Checks

Declined eligibility checks for installment payday loans averaged approximately 75.3 percent of installment payday loan transaction requests from January 2012 through March 23, 2021.¹⁷



¹⁷ Data includes multiple declined eligibility checks for the same borrower.

Illinois Trends Report – Select Consumer Loan Products

*Ineligibility for an Installment Payday Loan*¹⁸

The chart and table below provide annual information about the reasons for declined eligibility from January 2012 through March 23, 2021.

Total Declined Eligibility Checks by Reason

Year	Waiting Period	Restricted by Repayment Plan	Restricted by Consecutive Days in Product	Over Dollar Limit	Two Open Transactions	Other	Total
2012	20,323	2,042	175,569	72,731	98,570	0	369,235
2013	21,379	1,709	200,529	38,415	109,156	0	371,188
2014	20,814	2,544	228,482	37,114	134,551	0	423,505
2015	16,950	2,087	269,695	36,857	169,844	0	495,433
2016	17,359	4,062	452,072	41,609	323,205	0	838,307
2017	26,314	12,666	751,807	59,291	591,351	0	1,441,429
2018	27,242	9,704	760,356	48,477	527,808	0	1,373,587
2019	26,940	9,272	1,279,761	73,705	777,845	0	2,167,523
2020	15,152	8,869	1,328,757	59,171	649,391	0	2,061,340
2021	2,128	880	145,405	6,204	61,113	0	215,730
Total	194,601	53,835	5,592,433	473,574	3,442,834	0	9,757,277

Percentage of Total Declined Eligibility Checks by Reason

Year	Waiting Period	Restricted by Repayment Plan	Restricted by Consecutive Days in Product	Over Dollar Limit	Two Open Transactions	Other	Total
2012	5.5%	0.6%	47.5%	19.7%	26.7%	0.0%	100.0%
2013	5.8%	0.5%	54.0%	10.3%	29.4%	0.0%	100.0%
2014	4.9%	0.6%	54.0%	8.8%	31.8%	0.0%	100.0%
2015	3.4%	0.4%	54.4%	7.4%	34.3%	0.0%	100.0%
2016	2.1%	0.5%	53.9%	5.0%	38.6%	0.0%	100.0%
2017	1.8%	0.9%	52.2%	4.1%	41.0%	0.0%	100.0%
2018	2.0%	0.7%	55.4%	3.5%	38.4%	0.0%	100.0%
2019	1.2%	0.4%	59.0%	3.4%	35.9%	0.0%	100.0%
2020	0.7%	0.4%	64.5%	2.9%	31.5%	0.0%	100.0%
2021	1.0%	0.4%	67.4%	2.9%	28.3%	0.0%	100.0%
Total	2.0%	0.6%	57.3%	4.9%	35.3%	0.0%	100.0%

¹⁸ See explanation of ineligibility categories on page 20.

Illinois Trends Report – Select Consumer Loan Products

Title Loans

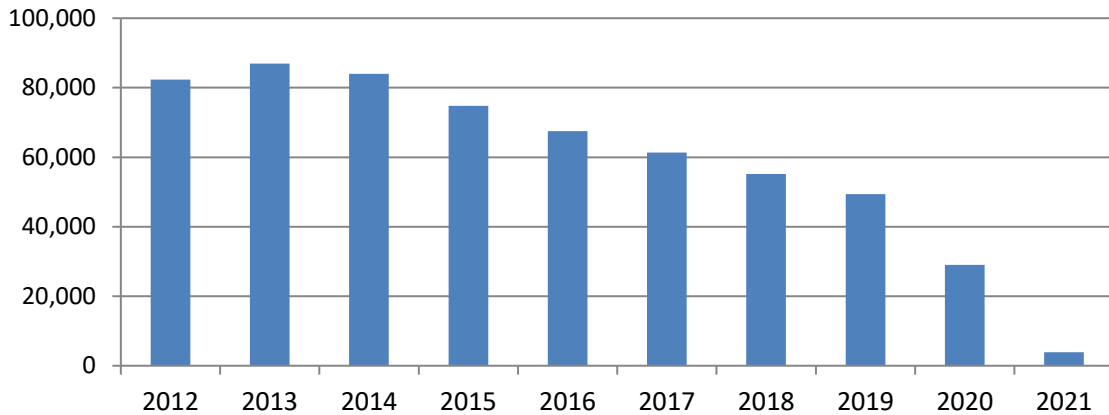
The Predatory Loan Prevention Act (PLPA), which established a 36% APR rate cap for all products, became effective on March 23, 2021. The Department’s pre-existing reporting rules did not apply to title loans under 36% APR. As a result, lenders did not report title loans originated between March 23, 2021 and December 2021. The Department promulgated new reporting rules to implement Public Act 101-0658. The new reporting rules went into effect in August 2022.

Title Loan Borrowers

From January 2012 through March 23, 2021, 389,160 title loan borrowers took out 674,444 title loans, or an average of 1.7 loans per borrower.

The number of unique title loan borrowers for each year is as follows:

Unique Title Loan Borrowers per Year



The average monthly gross income of Illinois title loan borrowers with loans reported to the database from January 2012 through March 23, 2021 was \$2,307.64, or approximately \$27,692 annually.

The distributions of title loan borrower incomes during 2012 as well as 2016 through 2021 are shown in the table below:

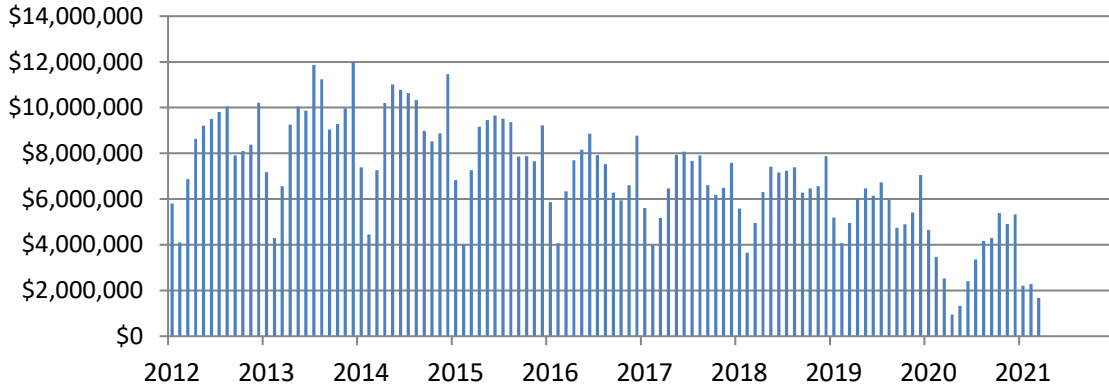
Year	Title Loan Borrower Annual Income		
	< \$30k	\$30k - \$50k	> \$50k
2012	72.9%	17.5%	9.6%
2016	70.4%	18.7%	10.9%
2017	68.1%	20.4%	11.5%
2018	64.9%	22.2%	12.9%
2019	62.7%	23.4%	13.9%
2020	62.9%	24.0%	13.1%
2021	60.7%	23.4%	15.9%

Illinois Trends Report – Select Consumer Loan Products

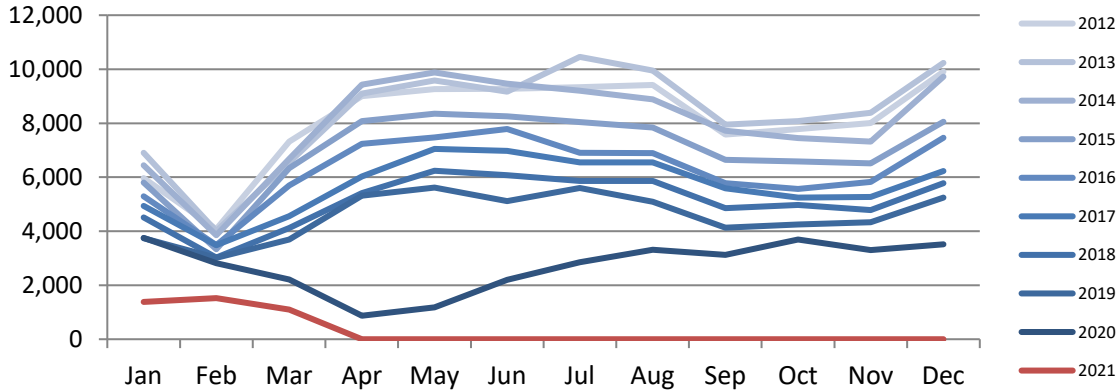
Title Loan Transaction Volume

Total title loan volume from January 2012 through March 23, 2021 was 674,458 loans, with a total advance/principal amount of \$774 million.¹⁹

Title Total Principal Amount per Month



Title Loan Volume Yearly Comparison



Year	Average Title Loans per Borrower
2012	1.2
2016	1.1
2017	1.1
2018	1.1
2019	1.1
2020	1.1
2021	1.0

¹⁹ The Predatory Loan Prevention Act (PLPA) was signed into law on March 23, 2021. The Act capped interest on title loans at 36% APR. The Department's pre-existing reporting rules did not apply to title loans at or under 36% APR. As a result, lenders did not report loans originated between March 23, 2021 and December 2021. The Department promulgated new reporting rules to implement Public Act 101-0658. The new reporting rules went into effect in August 2022.

Illinois Trends Report – Select Consumer Loan Products

Title Loan Transaction Volume (continued)

Annual volume information for each year is presented in the following table.²⁰

Year	Transaction Count ²¹	Change vs. Prior Year
2012	96,926	-
2013	100,357	3.5%
2014	96,046	-4.3%
2015	83,823	-12.7%
2016	75,381	-10.1%
2017	68,446	-9.2%
2018	61,497	-10.2%
2019	55,127	-10.4%
2020	32,830	-40.4%
2021	4,011	-

Title Loan Average Term, Advance Amount, and Finance Charge

Year	% of Loans by Term Range		
	1 to 360 days	361 to 720 days	721+ days
2012	18.2%	41.2%	40.6%
2013	10.6%	30.5%	58.9%
2014	6.5%	29.8%	63.7%
2015	6.8%	27.0%	66.2%
2016	5.9%	23.6%	70.5%
2017	8.6%	19.0%	72.4%
2018	5.1%	23.4%	71.5%
2019	4.9%	14.8%	80.3%
2020	4.1%	8.7%	87.3%
2021	3.4%	4.5%	92.1%

The title loan transactions from January 2012 through March 23, 2021 had the following features: average term: 599.3 days; average advance amount: \$1,147.72; average total fees: \$3,347.71; and an average APR of 178%.²²

²⁰ The Predatory Loan Prevention Act (PLPA) was signed into law on March 23, 2021. The Act capped interest on title loans at 36% APR. The Department's pre-existing reporting rules did not apply to title loans at or under 36% APR. As a result, lenders did not report loans originated between March 23, 2021 and December 2021. The Department promulgated new reporting rules to implement Public Act 101-0658. The new reporting rules went into effect in August 2022.

²¹ See FN 2, *supra*, (page 10) regarding changes in the data from previous reports.

²² For the purposes of this report, average APR is calculated using average loan term, amounts, and fees.

Illinois Trends Report – Select Consumer Loan Products

Small Consumer Loans

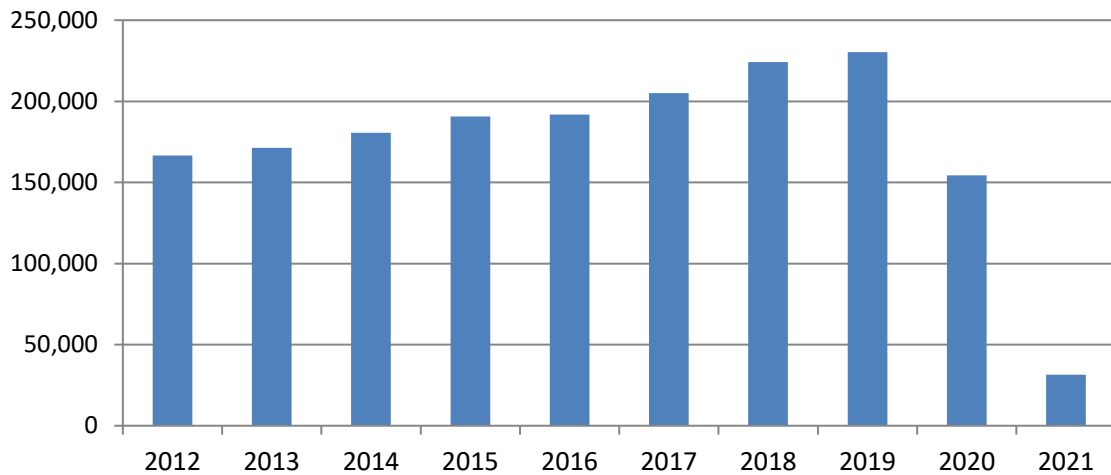
As of March 23, 2021, small consumer loans were eliminated from CILA. Some licensees continued to erroneously report loans under 36% APR as “small consumer loans” after March 23, 2021. The Department observed a precipitous reduction in small consumer loan originations after the PLPA went into effect.

Small Consumer Loan Borrowers

From January 2012 through March 23, 2021, 679,326 small consumer loan borrowers took out 4,002,900 small consumer loans, or an average of 5.9 loans per borrower.

The number of unique small consumer loan borrowers for each year is as follows:

Unique Small Consumer Loan Borrowers per Year



The average monthly gross income of Illinois small consumer loan borrowers with loans reported to the database from January 2012 through March 23, 2021 was \$2,826.40, or approximately \$33,917 annually.

The distributions of small consumer loan borrower incomes during 2012 as well as 2016 through 2021 are shown in the table below:

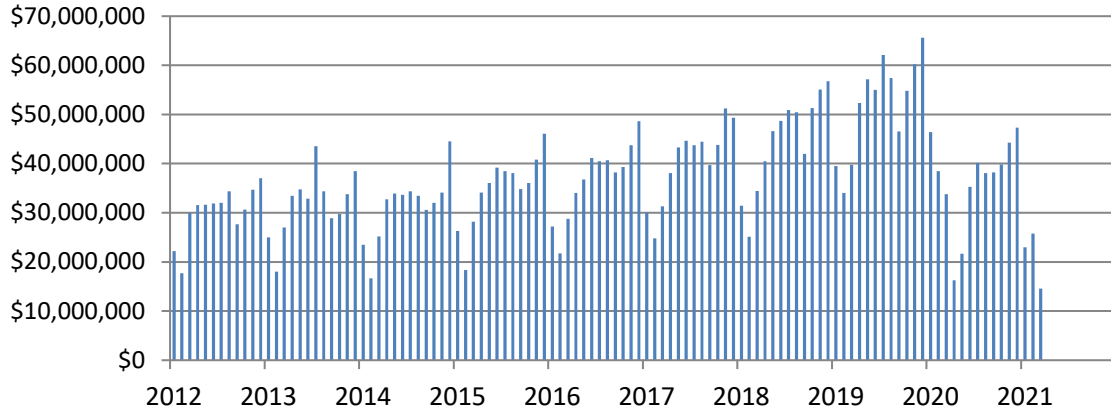
Year	Small Consumer Loan Borrower Annual Income		
	< \$30k	\$30k - \$50k	> \$50k
2012	69.2%	19.4%	11.4%
2016	56.1%	26.2%	17.7%
2017	52.9%	28.0%	19.2%
2018	50.9%	29.0%	20.1%
2019	47.2%	30.8%	22.0%
2020	44.8%	32.1%	23.1%
2021	37.4%	34.0%	28.6%

Illinois Trends Report – Select Consumer Loan Products

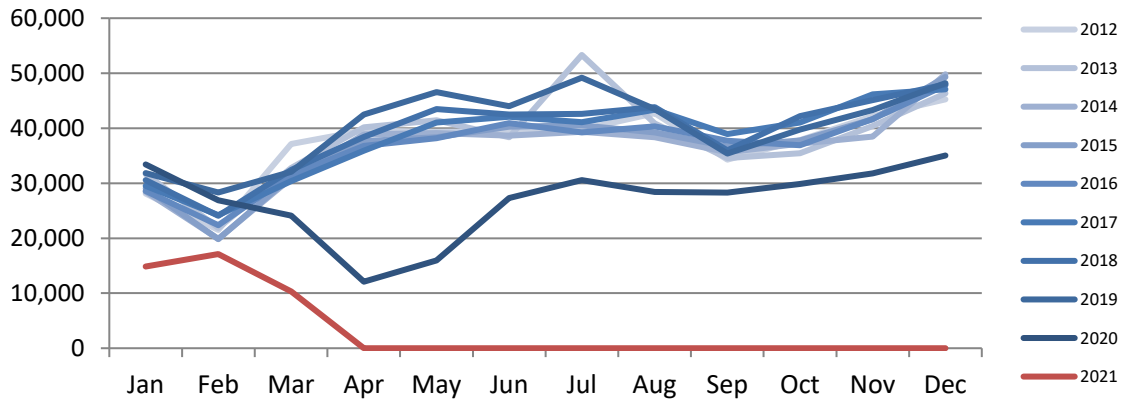
Small Consumer Loan Transaction Volume

Total small consumer loan volume from January 2012 through March 23, 2021 was 4,002,900 loans, with a total advance/principal amount of \$4.12 billion.²³

SCL Total Principal Amount per Month



Small Consumer Loan Volume Yearly Comparison



Year	Average Small Consumer Loans per Borrower
2012	2.7
2016	2.3
2017	2.2
2018	2.1
2019	2.1
2020	2.1
2021	1.3

²³ As of March 23, 2021, small consumer loans were eliminated from CILA. Some licensees continued to erroneously report loans under 36% APR as "small consumer loans" after March 23, 2021. The Department observed a precipitous reduction in small consumer loan originations after the PLPA went into effect.

Illinois Trends Report – Select Consumer Loan Products

Small Consumer Loan Transaction Volume (continued)

Annual volume information for each year is presented in the following table.²⁴

Year	Transaction Count ²⁵	Change vs. Prior Year
2012	447,105	-
2013	457,113	2.2%
2014	434,701	-4.9%
2015	441,570	1.6%
2016	442,044	0.1%
2017	460,682	4.2%
2018	469,053	1.8%
2019	484,590	3.3%
2020	323,750	-33.2%
2021	42,292	-

Small Consumer Loan Average Term and Advance Amount

Year	% of Loans by Term Range		
	1 to 360 days	361 to 720 days	721+ days
2012	76.6%	21.5%	1.9%
2013	74.3%	22.4%	3.2%
2014	72.8%	22.6%	4.6%
2015	71.3%	24.1%	4.6%
2016	70.2%	25.4%	4.4%
2017	68.5%	26.5%	5.0%
2018	66.5%	26.1%	7.4%
2019	64.5%	27.2%	8.3%
2020	60.3%	33.0%	6.6%
2021	60.5%	33.3%	6.2%

The small consumer loan transactions from January 2012 through March 23, 2021 had the following features: average term: 342.0 days; average advance amount: \$1,028.92.

²⁴ As of March 23, 2021, small consumer loans were eliminated from CILA. Some licensees continued to erroneously report loans under 36% APR as "small consumer loans" after March 23, 2021. The Department observed a precipitous reduction in small consumer loan originations after the PLPA went into effect.

²⁵ See FN 2, *supra*, (page 10) regarding changes in the data from previous reports.