



IDFPR

Illinois Department of Financial and Professional Regulation

Division of Financial Institutions

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IDFPR Releases Annual Consumer Lending Trends Report

Report Analyzes Select Consumer Loan Products in Illinois From January 2012 Through December 2020; Shows Substantial Year-Over-Year Decrease in Volume for Certain Types of Loans

CHICAGO – The Illinois Department of Financial and Professional Regulation, Division of Financial Institutions announced Thursday the release of its annual Consumer Lending Trends Report. The report informs the Department of trends in the consumer lending marketplace, including how many loans are made, the type of loans, the amount of the loans, the income of those taking out the loans, and how many of the loans default. This year's report shows a decrease of more than 40% across reported loans in 2020 compared to 2019.

"The report reflects the significant impact of the COVID-19 pandemic on consumer lending in 2020. Compared to previous years, there were substantial decreases in number of borrowers, number of loans issued, and aggregate amounts originated for all reported loan types," said **Francisco Menchaca, Director of the Division of Financial Institutions**.

The types of loans evaluated and explained in the report are payday loans, installment payday loans, title-secured loans, and small consumer loans. Some key findings of the Trends Report include:

- A total of 279,552 unique borrowers obtained a Veritec-reported consumer loan in 2020.
- There was a 40.3% decrease in transaction volume between 2019 and 2020. The decrease in volume was evident across all reported loan types.
- In 2020, transaction volume for:
 - Installment payday loans was 44.3% lower than 2019.
 - Payday loans was 43.8% lower than 2019.
 - Title secured loans was 40.4% lower than 2019.
 - Small consumer loans was 36.3% lower than 2019.

- In the period between 2012 and 2020, the average loaned amount for payday, installment payday, small consumer, and title loans respectively was \$342.64, \$697.79, \$1,021.52, and \$1,145.60.
- The average gross monthly income of Illinois consumers using these loan products during the 2012-2020 Reporting Period was \$2,795.15, or approximately \$33,542 per year, an increase of about \$300 annually from last year's average.
- In the period between 2012 and 2020 average APRs for payday, installment payday, and title loans respectively were 297%, 228%, and 178%.
- In the period between 2012 and 2020 average total fees for payday, installment payday, and title loans respectively were \$52.47, \$711.84, and \$3,342.40.
- In the period between 2012 and 2020, the average loan terms (in days) for payday, installment payday, small consumer, and title loans respectively were 18.8, 163.3, 341.1, and 598.7.
- In 2020 default rates for payday, installment payday, and small consumer respectively were at least 5.4%, 10%, and 1.6%

The entire 2020 Consumer Lending Trends Report may be found [here](#).