



Report of Activity Under the Pilot Program for Responsible Small Dollar Loans 2017

June 2018

California Department of Business Oversight
Jan Lynn Owen, Commissioner



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July 1, 2018

Pursuant to legislation enacted in 2013, the Pilot Program for Increased Access to Responsible Small Dollar Loans (RSDL) has now been in operation for more than four years. The Pilot Program was designed to provide an alternative to deferred deposit transactions, or payday loans, and other more expensive forms of consumer credit.

As required by the authorizing legislation, the attached report contains detailed information gathered from the lenders who participate in the Pilot Program. This report also can be found on the Department of Business Oversight website at http://www.dbo.ca.gov/Licensees/Finance_Lenders/Publications.asp. If you have questions or comments about the report, please contact Charles Agbonkpolor, Special Administrator, at (213) 576-7611 or Charles.Agbonkpolor@dbo.ca.gov.

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TABLE OF CONTENTS

INTRODUCTION.....	1
EXECUTIVE SUMMARY.....	2
DATA SUMMARY.....	4

Report of Activity Under the Pilot Program for Increased Access to Responsible Small Dollar Loans

January 1, 2017 through December 31, 2017

INTRODUCTION

The Legislature and Governor in 2010 enacted the Affordable Credit Building Opportunities Pilot Program (ACBO), placing it under the California Financing Law (CFL). The goal was to increase consumers' access to capital by encouraging development of a more robust small-dollar loan market in California. The ACBO – established by SB 1146 (Florez) – took effect January 1, 2011. Its provisions applied to consumer loans of \$250 to \$2,499. To incentivize lenders' participation, the ACBO allowed them to charge borrowers marginally higher interest rates, and larger origination and delinquency fees, than permitted for CFL consumer loans of that size made outside the program.

A stubbornly low lender participation rate led to the ACBO's demise. It was replaced by the Pilot Program for Increased Access to Responsible Small Dollar Loans (RSDL), created in 2013 under SB 318 (Hill). The RSDL – Financial Code section 22365 et seq. – took effect January 1, 2014. It will remain in effect until January 1, 2023.

The RSDL's enabling statute requires the Commissioner of the Department of Business Oversight (DBO) to post on the DBO's website an annual report that summarizes utilization of the pilot program. The report must be posted by July 1 of each year through 2021.

The RSDL's purpose is the same as the ACBO's – to increase consumer access to small dollar loans. The minimum loan amount under the RSDL is \$300, as opposed to \$250 under the ACBO. The maximum loan is the same, at \$2,499. Like the ACBO, the RSDL allows lenders to charge marginally higher interest rates than otherwise permitted by the CFL. The RSDL also provides underwriting standards, mandatory reporting of loans to credit bureaus, a cap on the share of gross monthly income that can be consumed by the loan payment, a ban on credit insurance, and a ban on requiring borrowers to waive their right to sue as a condition of obtaining a loan, among other provisions.

In both of its iterations, pilot program lenders have been permitted to use "finders." Finders are not licensed by the State, and cannot provide advice or counseling to borrowers. They can distribute lenders' marketing materials, provide factual information about loan terms and conditions, help borrowers with loan applications and obtain borrowers' signatures on documents, among other functions. Finder fees are capped at \$65 per loan, plus \$2 per payment received by the finder on behalf of the licensee for the duration of the loan, when the finder receives borrower loan payments on the licensee's behalf. The fees are paid by lenders, cannot be based on the principal amount of loans and cannot be passed on to borrowers.

The data provided in this report complies with the requirements of Financial Code section 22380. It summarizes unaudited data submitted by licensees in a format prescribed by the DBO. All 16 program participants filed annual reports.

EXECUTIVE SUMMARY

Lender Participation

From 2015 through 2017, the number of lenders participating in the RSDL doubled, from eight to 16. Over the same period, the number of finders nearly tripled, growing from 12 to 33, and the number of locations where finders operated ballooned from 60 to 410.

LENDER PARTICIPATION APPLICATIONS AND APPROVALS

	2015	2016	2017
Beginning number of applications	5	3	6
Applications received	1	10	3
Applications approved	3	6	4
Applications rejected	0	0	0
Applications voluntarily withdrawn	0	1	0
Year-end applications pending	3	6	5
CFL license surrendered	1	0	1
Withdrew participation from Pilot Program	0	0	1
Total participants at year-end	8	14	16

Lending Activity Data Highlights

- **Loan and principal totals** – Lenders approved 230,855 loans in 2017, representing an increase of 18.2 percent over 2015 and 14.6 percent over 2016. The annual total principal of loans made over the period increased 15 percent, from \$225 million in 2015 to \$258.9 million in 2017.
- **Loan applications** – The number of borrower applications in 2017 was 45.7 percent higher than in 2015, at 533,737 compared to 366,237. The loan approval rate declined from 53.3 percent in 2015 to 43.3 percent in 2017.
- **Dollar amounts** – Loans made in the \$300-\$499 range increased 393 percent over the period, from 4,979 in 2015 to 24,556 in 2017. Loans made in the highest range, \$1,500 to \$2,499, increased 27.4 percent, from 52,320 to 66,646.
- **Annual Percentage Rates** – Of the 24,556 loans made in the \$300-\$499 range in 2017, 94.7 percent carried an annual percentage rate (APR) of 50 percent or more. That ratio was 70.8 percent in the \$500-\$999 range, 24 percent in the \$1,000-\$1,499 range, and zero percent in the \$1,500-\$2,499 range.
- **Delinquencies** – Of the 230,855 loans made in 2017, 17.3 percent were delinquent for 7 to 29 days, 6.7 percent were delinquent for 30 to 59 days, and 2.2 percent were delinquent for 60 days or more.

- **Multiple loans** – The number of borrowers who took out more than one loan increased by 28.9 percent from 2015 to 2017. Of the multiple-loan borrowers in 2017, 18,346 took out two loans, 701 took out three loans and 31 took out four loans.
- **Credit scores** – Over the three-year period, more than 60 percent of borrowers who took out more than one loan received higher credit scores in the process. Those increases averaged 306 points per borrower in 2015, 134 points in 2016, and 295 points in 2017.
- **Loan term** – Of the 230,855 loans made in 2017, 49.8 percent were for 360 days or more; 17.8 percent were for 270 days to 359 days; 28.3 percent were for 180 days to 269 days; and 4.1 percent were for 120 days to 179 days.
- **Borrower income** – Of the 627,631 loans made from 2015 through 2017, 17.1 percent were to residents of low-income neighborhoods; 41.5 percent to residents of moderate-income neighborhoods; 22.8 percent to residents of middle-income neighborhoods; and 7.7 percent to residents of upper-income neighborhoods.
- **Loan purpose** – In 2017, borrowers took out 24.7 percent of the loans to build or repair credit; 23.4 percent to pay bills; 13.3 percent for medical or other emergencies; 6.3 percent to consolidate debt; 5.3 percent for non-vehicle purchases, 5.6 percent for vehicle purchases; 5.7 percent for vehicle repairs; 2.2 percent for purposes other than personal or household; and 13.5 percent for other, unspecified reasons.
- **Finder v. No Finder** – The data for 2017 showed no widespread disparities between loans made using finders and those made without using finders. There were, however some notable exceptions. For loans in the \$500-\$999 range, 93.6 percent had APRs of 50 percent or higher when finders were used, compared to 64.4 percent when finders were not used. In contrast, for loans in the \$1,000-\$1,499 range, 28.5 percent had APRs of 50 percent or higher when finders were not used, compared to 11.1 percent when finders were used.

For borrowers who took out more than one loan, 65 percent saw their credit scores increase when finders were not used, compared to 46 percent when finders were used. With respect to borrower income, 63.5 percent of loans made without using finders went to borrowers in low- and moderate-income census tracts, compared to 15.9 percent for loans made using finders.

DATA SUMMARY

This report summarizes loan activity in the RSDL for the period January 1, 2015 through December 31, 2017.

The information provided in this section was obtained from statutorily-required annual reports participating lenders filed with the DBO.

Pursuant to Government Code section 6254(d)(2), lender-specific information disclosed in the annual reports is exempt from mandatory disclosure under the California Public Records Act. The data provided in this report represent the aggregate totals for participating lenders.

Number of Applications and Loans Made Using Finder

	2015	2016	2017
Number of Applications	17,899	47,267	170,146
Number of Loans	4,186	17,170	65,239
Loans as Percentage of Applications	23%	36%	38%
Total Principal Amount of Loans	\$3,024,689	\$18,908,379	\$76,510,324

Number of Applications and Loans Made Without Using Finder

	2015	2016	2017
Number of Applications	348,338	336,944	363,591
Number of Loans	191,096	184,324	165,616
Loans as Percentage of Applications	55%	55%	46%
Total Principal Amount of Loans	\$222,036,346	\$223,489,745	\$182,449,652

Number of Loans by Loan Term: Using Finder

Loan Term	2015	2016	2017
90-119 Days	0	0	0
120-179 Days	1,200	2,734	9,559
180-269 Days	1,144	2,310	13,928
270-359 Days	1,027	4,831	7,504
≥ 360 Days	815	7,295	34,248

Number of Loans by Loan Term: Without Using Finder

Loan Term	2015	2016	2017
90-119 Days	0	29	0
120-179 Days	0	587	0
180-269 Days	50,481	47,566	51,389
270-359 Days	45,740	38,152	33,552
≥ 360 Days	94,875	97,990	80,675

Number of Loans \$300-\$499, by APR, Using Finder

	2015	2016	2017
Up to 14.99%	0	0	0
15% - 19.99%	6	0	0
20% - 24.99%	0	0	0
25% - 29.99%	0	0	0
30% - 34.99%	0	0	0
35% - 39.99%	12	25	69
40% - 49.99%	18	129	212
50% or more	1,196	2,762	9,779
Total Loans	1,232	2,916	10,060

Number of Loans \$300-\$499, by APR, Without Using Finder

	2015	2016	2017
Up to 14.99%	0	16	18
15% - 19.99%	0	5	39
20% - 24.99%	0	20	153
25% - 29.99%	2	61	670
30% - 34.99%	18	26	26
35% - 39.99%	27	51	43
40% - 49.99%	39	103	83
50% or more	3,661	17,747	13,464
Total Loans	3,747	18,029	14,496

Number of Loans \$500-\$999, by APR, Using Finder

	2015	2016	2017
Up to 14.99%	0	0	0
15% - 19.99%	0	0	0
20% - 24.99%	0	0	0
25% - 29.99%	0	0	0
30% - 34.99%	0	0	0
35% - 39.99%	55	277	673
40% - 49.99%	42	240	453
50% or more	1,769	4,694	16,525
Total Loans	1,866	5,211	17,651

Number of Loans \$500-\$999, by APR, Without Using Finder

	2015	2016	2017
Up to 14.99%	0	22	53
15% - 19.99%	0	10	99
20% - 24.99%	0	52	334
25% - 29.99%	475	577	1,611
30% - 34.99%	1,510	1,484	1,993
35% - 39.99%	5,280	4,841	4,086
40% - 49.99%	7,168	6,196	14,290
50% or more	61,917	36,592	40,760
Total Loans	76,350	49,774	63,226

Number of Loans \$1,000-\$1,499, by APR, Using Finder

	2015	2016	2017
Up to 14.99%	0	0	0
15% - 19.99%	0	0	0
20% - 24.99%	0	0	0
25% - 29.99%	0	0	0
30% - 34.99%	4	33	432
35% - 39.99%	48	270	1,250
40% - 49.99%	572	3,566	11,739
50% or more	210	1,185	1,685
Total Loans	834	5,054	15,106

Number of Loans \$1,000-\$1,499, by APR, Without Using Finder

	2015	2016	2017
Up to 14.99%	0	10	23
15% - 19.99%	0	5	32
20% - 24.99%	0	35	191
25% - 29.99%	395	448	594
30% - 34.99%	1,749	1,811	2,113
35% - 39.99%	5,064	4,503	3,405
40% - 49.99%	32,584	32,337	24,862
50% or more	19,141	19,785	12,450
Total Loans	58,933	58,934	43,670

Number of Loans \$1,500-\$2,499, by APR, Using Finder

	2015	2016	2017
Up to 14.99%	0	0	0
15% - 19.99%	0	0	0
20% - 24.99%	0	0	0
25% - 29.99%	0	0	0
30% - 34.99%	33	220	649
35% - 39.99%	143	2,872	9,886
40% - 49.99%	78	897	11,887
50% or more	0	0	0
Total Loans	254	3,989	22,422

Number of Loans \$1,500-\$2,499, by APR, Without Using Finder

	2015	2016	2017
Up to 14.99%	0	9	21
15% - 19.99%	0	7	43
20% - 24.99%	0	36	210
25% - 29.99%	666	734	1,199
30% - 34.99%	5,042	6,178	5,889
35% - 39.99%	13,849	22,567	13,303
40% - 49.99%	32,509	27,936	23,559
50% or more	0	0	0
Total Loans	52,066	57,467	44,224

Number of Loans Made by Size Using Finder

	2015	2016	2017
\$300-\$499	1,232	2,916	10,060
\$500-\$999	1,866	5,211	17,651
\$1,000-\$1,499	834	5,054	15,106
\$1,500-\$2,499	254	3,989	22,422
Total Loans	4,186	17,170	65,239

Number of Loans Made by Size Without Using Finder

	2015	2016	2017
\$300-\$499	3,747	18,149	14,496
\$500-\$999	76,350	49,774	63,226
\$1,000-\$1,499	58,933	58,934	43,670
\$1,500-\$2,499	52,066	57,467	44,224
Total Loans	191,096	184,324	165,616

Borrowers Who Obtained More Than One Loan Using Finder

	2015	2016	2017
Number of Borrowers Who Obtained 2 Loans	381	1,749	6,678
Number of Borrowers Who Obtained 3 Loans	14	105	299
Number of Borrowers Who Obtained 4 Loans	0	4	11
Total Number of Borrowers Who Obtained More Than One Loan	395	1,858	6,988

Borrowers Who Obtained More Than One Loan Without Using Finder

	2015	2016	2017
Number of Borrowers Who Obtained 2 Loans	14,074	14,130	11,668
Number of Borrowers Who Obtained 3 Loans	317	367	402
Number of Borrowers Who Obtained 4 Loans	15	14	20
Total Number of Borrowers Who Obtained More Than One Loan	14,406	14,511	12,090

Credit Score Performance for Borrowers Who Obtained More Than One Loan Using Finder

	2015	2016	2017
Number of Borrowers Who Obtained More Than One Loan	395	1,858	6,988
Number of Borrowers with Credit Scores That Increased Over the Previous Loan	81	893	3,249
Percentage of Borrowers with Increased Credit Scores	21%	48%	46%
Average Size of Increase (in points) in Credit Scores	28	309	340

Credit Score Performance for Borrowers Who Obtained More Than One Loan Without Using Finder

	2015	2016	2017
Number of Borrowers Who Obtained More Than One Loan	14,406	14,511	12,090
Number of Borrowers with Credit Scores That Increased Over the Previous Loan	8,541	9,886	7,848
Percentage of Borrowers with Increased Credit Scores	59%	68%	65%
Average Size of Increase (in points) in Credit Scores	309	118	276

Number of Loans by Income Distribution of Census Tract Using Finder*

	2015	2016	2017
Low-Income	616	2,362	5,924
Moderate-Income	1,599	6,214	4,465
Middle-Income	1,070	3,744	18,495
Upper-Income	409	1,662	18,059
Not Known	492	3,188	18,296
Total Loans	4,186	17,170	65,239

*Low-income census tract means median family income less than 50 percent of the median for the metropolitan area. Moderate income census tract means median family income of 50 percent to 79 percent of the median for metropolitan area. Middle-income census tract means median family income of 80 percent to 119 percent of the median for the metropolitan area. Upper-income census tract means median family income of 120 percent or more of the median for the metropolitan area.

Number of Loans by Income Distribution of Census Tract Without Using Finder

	2015	2016	2017
Low-Income	35,253	33,116	30,335
Moderate-Income	91,309	82,117	74,799
Middle-Income	44,059	40,066	35,943
Upper-Income	9,617	9,798	8,640
Not Known	10,858	19,227	15,899
Total Loans	191,096	184,324	165,616

Number of Loans by Borrower's Use of Bank Account/Check Cashing Using Finder

	2015	2016	2017
Bank Account	3,149	13,190	50,889
No Bank Account	1,037	3,980	14,350
Borrowers With Bank Account Who Also Used Check-Cashing Services	724	3,371	11,690
Borrowers With Bank Account Who Also Used Payday Loan Services	94	1,138	3,029

Number of Loans by Borrower's Use of Bank Account/Check Cashing Without Using Finder

	2015	2016	2017
Bank Account	161,380	153,923	137,979
No Bank Account	29,716	30,401	27,637
Borrowers With Bank Account Who Also Used Check-Cashing Services	6,699	6,716	4,562
Borrowers With Bank Account Who Also Used Payday Loan Services	8,100	7,242	6,578

Late Fees: Number and Percentage of Loans Using Finder

	2015	2016	2017
Number of Loans with Late Fees	1,124	4,719	13,811
Total Loans	4,186	17,170	65,239
Percentage of Loans with Late Fees	27%	27%	21%

Late Fees: Number and Percentage of Loans Without Using Finder

	2015	2016	2017
Number of Loans with Late Fees	49,810	52,843	40,286
Total Loans	191,096	184,324	165,616
Percentage of Loans with Late Fees	26%	29%	24%

Late Fees - Dollar Amount Data Using Finder

	2015	2016	2017
Total Amount of Late Fees	\$66,438	\$293,342	\$786,660
Total Principal Amount of Loans	\$3,024,689	\$18,908,379	\$76,510,324
Late Fees as a Percentage of Loan Principal	2.2%	1.6%	1.0%
Average Late Fees	\$14	\$14	\$14

Late Fees - Dollar Amount Data Without Using Finder

	2015	2016	2017
Total Amount of Late Fees	\$3,348,798	\$3,051,095	\$2,503,009
Total Principal Amount of Loans	\$222,036,346	\$223,489,745	\$182,449,652
Late Fees as a Percentage of Loan Principal	1.5%	1.4%	1.4%
Average Late Fees	\$14	\$13	\$12

Number of Loans, by Purpose, Using Finder

	2015	2016	2017
Medical	91	492	1,508
Other Emergency	0	0	0
Vehicle Repair	389	1,378	4,772
Vehicle Purchase	277	1,128	3,868
To Pay Bills	1,375	4,792	19,482
To Consolidate Debt	236	988	3,741
To Build or Repair Credit	1,009	5,341	18,529
Purchase Goods or Services Other Than a Vehicle	225	917	882
For Other Than Personal, Family, or Household Purposes	112	412	1,638
Other	472	1,722	10,819

Number of Loans, by Purpose, Without Using Finder

	2015	2016	2017
Medical	3,019	3,237	3,430
Other Emergency	34,087	26,672	25,814
Vehicle Repair	5,389	7,395	8,424
Vehicle Purchase	5,986	7,864	8,993
To Pay Bills	30,014	35,489	34,620
To Consolidate Debt	11,032	13,190	10,881
To Build or Repair Credit	75,552	55,975	38,426
Purchase Goods or Services Other Than a Vehicle	9,592	11,573	11,436
For Other Than Personal, Family, or Household Purposes	2,167	3,576	3,342
Other	14,258	19,353	20,250

**Loans With at Least One Delinquency: Number and Percentage of Loans Made by Size,
Using Finder: Delinquency Period 7-29 Days**

	2015		2016		2017	
	Count	Percentage	Count	Percentage	Count	Percentage
\$300-\$499	396	32%	337	12%	1,059	11%
\$500-\$999	510	27%	651	12%	1,773	10%
\$1,000-\$1,499	134	16%	567	11%	1,444	10%
\$1,500-\$2,499	26	10%	324	8%	2,066	9%
Total Loans All Sizes	1,066		1,879		6,342	

**Loans With at Least One Delinquency: Number and Percentage of Loans Made by Size,
Without Using Finder: Delinquency Period 7-29 Days**

	2015		2016		2017	
	Count	Percentage	Count	Percentage	Count	Percentage
\$300-\$499	712	19%	3,228	18%	3,161	22%
\$500-\$999	14,049	18%	8,544	17%	11,387	18%
\$1,000-\$1,499	11,838	20%	10,333	18%	8,077	18%
\$1,500-\$2,499	12,133	23%	12,731	22%	10,953	25%
Total Loans All Sizes	38,732		34,836		33,578	

**Loans With at Least One Delinquency: Number and Percentage of Loans Made by Size,
Using Finder: Delinquency Period 30-59 Days**

	2015		2016		2017	
	Count	Percentage	Count	Percentage	Count	Percentage
\$300-\$499	253	21%	145	5%	371	4%
\$500-\$999	270	14%	202	4%	603	3%
\$1,000-\$1,499	51	6%	157	3%	406	3%
\$1,500-\$2,499	5	2%	92	2%	604	3%
Total Loans All Sizes	579		596		1,984	

**Loans With at Least One Delinquency: Number and Percentage of Loans Made by Size,
Without Using Finder: Delinquency Period 30-59 Days**

	2015		2016		2017	
	Count	Percentage	Count	Percentage	Count	Percentage
\$300-\$499	353	9%	1,745	10%	1,710	12%
\$500-\$999	6,577	9%	3,955	8%	4,952	8%
\$1,000-\$1,499	4,541	8%	4,180	7%	3,160	7%
\$1,500-\$2,499	3,839	7%	4,432	8%	3,679	8%
Total Loans All Sizes	15,310		14,312		13,501	

**Loans With at Least One Delinquency: Number and Percentage of Loans Made by Size,
Using Finder: Delinquency Period 60 Days or More**

	2015		2016		2017	
\$300-\$499	180	15%	671	23%	1,341	13%
\$500-\$999	199	11%	812	16%	1,581	9%
\$1,000-\$1,499	28	3%	459	9%	776	5%
\$1,500-\$2,499	2	1%	141	4%	1,043	5%
Total Loans All Sizes	409		2,083		4,741	

**Loans With at Least One Delinquency: Number and Percentage of Loans Made by Size,
Without Using Finder: Delinquency Period 60 Days or More**

	2015		2016		2017	
\$300-\$499	353	9%	1,065	6%	1,025	7%
\$500-\$999	6,577	9%	2,181	4%	2,661	4%
\$1,000-\$1,499	4,541	8%	2,304	4%	1,688	4%
\$1,500-\$2,499	3,839	7%	3,210	6%	1,812	4%
Total Loans All Sizes	15,310		8,760		241	

Loans with at Least One Delinquency of 7 Days or More, Using Finder

	2015	2016	2017
Total Number of Loans Delinquent 7 Days or More	2,054	4,558	13,067
Total Number Not Subsequently Brought Current	514	2,426	8,014
Percentage Not Subsequently Brought Current	25%	53%	61%
Average Number of Times Such Borrowers Delinquent 7 Days or More	2.2	1.7	1.6

Loans with at Least One Delinquency of 7 Days or More, Without Using Finder

	2015	2016	2017
Total Number of Loans Delinquent 7 Days or More	69,352	57,908	54,265
Total Number Not Subsequently Brought Current	21,151	18,206	17,436
Percentage Not Subsequently Brought Current	30%	31%	32%
Average Number of Times Such Borrowers Delinquent 7 Days or More	3	2	2

**Delinquency Comparison: Number and Percentage of Pilot Program Loans
and Other CFL Loans: Year 2015**

	Pilot Program Loans				CFL Loans	
	Using Finder		w/o Using Finder			
1 Payment Past Due	1,066	25%	38,732	20%	13,098	5%
2 Payments Past Due	579	14%	15,310	8%	6,210	2%
3 or More Payments Past Due	409	10%	15,310	8%	19,068	7%

**Delinquency Comparison: Number and Percentage of Pilot Program Loans
and Other CFL Loans: Year 2016**

	Pilot Program Loans				CFL Loans	
	Using Finder		w/o Using Finder			
1 Payment Past Due	1,879	11%	34,836	19%	12,815	5%
2 Payments Past Due	596	3%	14,312	8%	7,480	3%
3 or More Payments Past Due	2,083	12%	8,760	5%	17,347	6%

**Delinquency Comparison: Number and Percentage of Pilot Program Loans
and Other CFL Loans: Year 2017**

	Pilot Program Loans				CFL Loans	
	Using Finder		w/o Using Finder			
1 Payment Past Due	6,342	10%	33,578	20%	15,223	5%
2 Payments Past Due	1,984	3%	13,501	8%	7,646	2%
3 or More Payments Past Due	4,741	7%	7,186	4%	19,394	6%

Language in Which Loan Negotiated: Using Finder*

	2015	2016	2017
English	1,512	2,969	5,587
Spanish	2,674	14,201	59,652
Chinese	0	0	0
Tagalog	0	0	0
Vietnamese	0	0	0
Korean	0	0	0
Other	0	0	0

*When loan was negotiated in a language other than English, documents were provided in that language.

Language in Which Loan Negotiated: Without Using Finder*

	2015	2016	2017
English	26,155	41,419	43,801
Spanish	164,941	142,905	121,815
Chinese	0	0	0
Tagalog	0	0	0
Vietnamese	0	0	0
Korean	0	0	0
Other	0	0	0

*When loan was negotiated in a language other than English, documents were provided in that language.

Refinance Loans Using Finder

	2015	2016	2017
Number of Borrowers Who Applied for Refinance Loan	0	0	0
Percentage of Borrowers Who Applied for Refinance Loan	0%	0%	0%
Number of Borrowers Who Obtained One or More Refinance Loans	0	0	0
Percentage of Borrowers Who Obtained One or More Refinanced Loans	0%	0%	0%
Total Principal Amount of Refinance Loans Made	\$0	\$0	\$0

Refinance Loans Without Using Finder

	2015	2016	2017
Number of Borrowers Who Applied for Refinance Loan	29,153	33,040	34,154
Percentage of Borrowers Who Applied for Refinance Loan	11%	12%	7%
Number of Borrowers Who Obtained One or More Refinance Loans	5,536	6,838	6,885
Percentage of Borrowers Who Obtained One or More Refinanced Loans	2%	3%	1%
Total Principal Amount of Refinance Loans Made	\$9,331,260	\$12,189,760	\$12,551,480

Detail of Refinance Loans Made Using Finder

	2015	2016	2017
Number of Borrowers Who Refinanced Once	0	0	0
Percentage of Borrowers Who Refinanced Once	0%	0%	0%
Number of Borrowers Who Refinanced Twice	0	0	0
Percentage of Borrowers Who Refinanced Twice	0%	0%	0%
Number of Borrowers Who Refinanced More Than Twice	0	0	0
Percentage of Borrowers Who Refinanced More Than Twice	0%	0%	0%

Detail of Refinance Loans Made Without Using Finder

	2015	2016	2017
Number of Borrowers Who Refinanced Once	5,497	6,810	6,834
Percentage of Borrowers Who Refinanced Once	2%	3%	1%
Number of Borrowers Who Refinanced Twice	39	28	51
Percentage of Borrowers Who Refinanced Twice	1%	0.01%	0.01%
Number of Borrowers Who Refinanced More Than Twice	0	0	0
Percentage of Borrowers Who Refinanced More Than Twice	0%	0%	0%

**Refinance Loans Using Finder: Pre-Refinance Principal Pay Down, Late Payments,
Additional Principal Extended**

	2015	2016	2017
Average Percentage of Principal Paid Down Before Obtaining Refinance Loan	0%	0%	0%
Average Number of Late Payments Made on Loan Refinanced	0	0	0
Average Amount of Additional Principal Extended on Refinance Loans	\$0	\$0	\$0

**Refinance Loans Without Using Finder: Pre-Refinance Principal Pay Down, Late Payments,
Additional Principal Extended**

	2015	2016	2017
Average Percentage of Principal Paid Down Before Obtaining Refinance Loan	68%	11%	69%
Average Number of Late Payments Made on Loan Refinanced	1	0.1	5.5
Average Amount of Additional Principal Extended on Refinance Loans	\$1,251	\$211	\$1,371



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