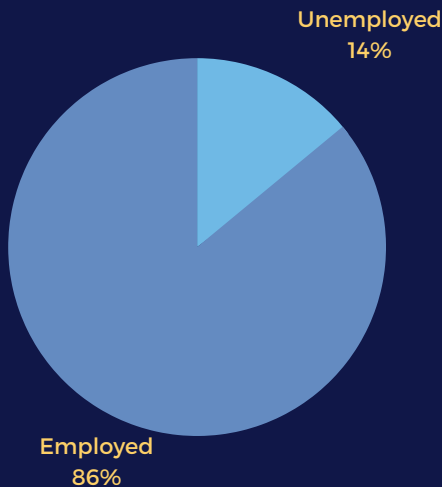


# PREDATORY LENDING

Predatory loans are a loan product with interest rates typically ranging between 150% and 400% of the original loan amount

## 1 in 10

households in ACC had taken out at least one high-interest loan in the last 90 days



The overwhelming majority (86%) of families who took out a high interest loan in Athens in the last 90 days are employed.

The most common reasons for taking out one of these loans are medical expenses and car repairs.

Car title loans are the most common type of high interest loans.



## \$400-600

Average original loan amounts

Predatory lending is mostly unregulated in Georgia:

- Lenders can charge over 100% interest and there is very little regulation in the title loan industry.
- The Department of Revenue does not track car title transfers between owners and lenders, adding to the lack of transparency in the industry.
- The Georgia Office of Insurance has issued public warnings that car title loans are an unregulated product that can be especially risky for the borrower.

For more information go to [www.athenswellbeingproject.org](http://www.athenswellbeingproject.org) or contact us at [rbaskam@uga.edu](mailto:rbaskam@uga.edu)

