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1970-99

**Annual Report Statistics**  
of  
**Regulated Loan Licensees**  
**1970 - 1979**



**OFFICE OF CONSUMER CREDIT COMMISSIONER**



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of  
**Regulated Loan Licensees**  
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## General Commentary

This publication is based on the Annual Reports of regulated loan companies in Texas for the years 1970 - 1979. Unless specifically indicated otherwise the date pertains to the making of direct loans of \$2,500 or less pursuant to Chapter 3 of the Texas Credit Code of 1967. Within Chapter 3 (Article 5069 - 3.01 et seq. Vernon's Annotated Texas Statutes), Article 3.11 requires the filing of such Reports, and publication of information therefrom although the individual reports are confidential.

No attempt has been made to publish all of the information from the Reports in this booklet, however, additional data is available upon request.

During the period covered most licensed loan companies engaged exclusively in the making of loans pursuant to Article 3.15 or Article 3.16. Lenders have therefore been classified according to the type loans made and Annual Report data has been compiled by these two categories. (If a lender made both types of loans he was classified according to which type produced the greater gross income.)

Article 3.15 provides for loans to \$2,500 at an interest rate of \$18.00/\$100.00/year up to \$300 and \$8.00/\$100.00/year on any amount in excess of \$300. These rates have been in effect since October 1, 1967.

Article 3.16 provide for loans to \$100 at "alternate rates". On loans to \$29.99 the finance charge is 20% of the amount financed and is fully earned at the time the loan is made. From \$30 to \$100 loans bear an acquisition charge of 10% of the amount financed which is fully earned when the loan is made. In addition a monthly handling charge of \$3.00 is permitted on loans of \$30 - \$35, \$3.50 on loans of \$35.01 - \$70.00, and \$4.00 on loans of \$70.01 - \$100.00. Maximum term is one month per \$10 amount financed.

As indicated in our publication for the period 1970 - 1975 insurance income is imputed for certain Article 3.15 Lenders. For the period 1970 - 1976 the formula given below was used across-the-board to compute insurance income for all Article 3.15 Lenders. The formula approach was taken to compensate for those lenders who do not recognize on the books of the finance company the full earnings realized from the sale of insurance in conjunction with loans. From 1977 - 1979 lenders have been required to report actual insurance income when dealing with an unrelated insurer and on the formula basis when dealing with an affiliated insurer. Data for these three years was compiled on this basis.

Formula:

Net Premium (Gross Premiums Charged Less Refunds)  
Less: 15% of Net Premiums for Insurance  
Company Expense and Profit  
Less: Claims Paid  
Equals: Insurance Income to Lender

In the course of examining the most recent Reports, inquiries were made of lenders which resulted in corrections to Reports filed for the years 1972 - 1975. As a result certain data published herein for Article 3.15 Lenders for these years differs from that previously published.

At the beginning of each of the two major divisions of this booklet, you will find the number of reports (companies) and the number of licensed loan offices from which each years data was obtained. Due to the fluctuations that have occurred from year to year during the past ten years, we would caution the reader to be careful in making certain statistical comparisons from year to year. While some of the fluctuations are indicative of conditions in the marketplace, others are due to the administrative problems of obtaining accurate and useful data from every licensee prior to cut-off dates for compilation and publication.



ANNUAL REPORT STATISTICS  
OF  
ARTICLE 3.15 LENDERS

The statistics on Article 3.15 Lenders are based on the following numbers of reports and offices:

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979*
Number of Reports	165	145	132	122	115	115	100	98	96	82
Number of Offices	1195	1163	1172	1183	1169	1056	860	806	790	777

The average Article 3.15 Lender office contained the following numbers of regulated loans and dollars dedicated to the regulated loan business (net loans receivable are total loans receivable less unearned charges):

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Number of Loans, December 31	766	761	774	763	723	699	775	847	893	925
Net Loans Receivable, December 31	\$442,703	\$477,687	\$508,554	\$520,074	\$496,935	\$502,852	\$595,490	\$691,752	\$766,394	\$835,339
Net Loan Assets, December 31	486,188	530,681	554,079	552,994	511,682	509,928	602,813	692,939	765,596	834,035

All Article 3.15 Lenders held the following regulated loans receivable taken as an average of the receivables held at the end of each month throughout each year (net loans receivable are total loans receivable less unearned charges):

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Number of Loans	913,213	888,822	884,987	897,313	877,734	764,010	670,627	671,174	684,371	706,582
Net Loans Receivable (000)	\$516,962	\$531,119	\$564,674	\$602,943	\$601,322	\$535,896	\$493,984	\$528,310	\$570,121	\$620,504
Average Net Loan	566	597	638	672	685	701	737	787	833	878

\*In 1979 we omitted from our tabulation 5 companies operating 5 offices who had less than \$10,000 gross regulated loans receivable.

The number of loans made by Article 3.15 Lenders was distributed among the four classifications of borrowers as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
New Borrowers	26.3%	24.8%	25.8%	25.5%	25.9%	22.5%	23.5%	24.8%	26.4%	26.7%
Former Borrowers	13.6	14.3	14.2	13.9	14.5	14.9	15.7	15.8	13.9	13.2
Present Borrowers (More Cash)	57.1	58.3	57.9	58.7	57.3	59.6	58.2	56.3	56.9	57.7
Present Borrowers (No More Cash)	3.0	2.6	2.1	1.9	2.3	3.0	2.6	3.1	2.8	2.4

The cash advance made by Article 3.15 Lenders was distributed among the four classifications of borrowers as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
New Borrowers	23.8%	21.1%	21.4%	21.4%	21.0%	17.4%	18.0%	19.2%	20.7%	21.3%
Former Borrowers	8.7	9.3	9.5	9.6	9.8	10.1	10.9	11.1	9.8	9.5
Present Borrowers (No More Cash)	2.3	2.3	1.9	1.8	2.3	3.2	2.6	2.9	2.1	2.2
Present Borrowers (More Cash)										
Old Balance Renewed	36.9	35.8	37.3	38.1	38.6	39.2	38.5	37.3	37.5	36.2
New Money Advanced	28.3	31.5	29.9	29.1	28.3	30.1	30.0	29.5	29.9	30.8

The cash advance of Article 3.15 loans made by Article 3.15 Lenders was distributed among six classes of collateral as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
None	16%	15%	15%	15%	16%	14%	15%	15%	15%	14%
Co-maker/Guarantor	*	*	*	*	*	*	*	*	*	*
Household Goods	59	61	62	62	62	64	64	66	69	72
Automobile	11	9	8	8	8	7	6	6	5	4
Household Goods and Automobile	11	11	12	11	10	11	11	9	7	7
Other	3	4	3	4	4	4	4	4	4	3

\* Less than .5%

LOANS MADE BY ARTICLE 3,15 LENDERS

Distribution of Number of Loans

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Art. 3.16	8.9%	7.1%	7.2%	6.9%	8.4%	7.2%	6.6%	4.6%	3.3%	3.3%
Art. 3.15 to \$ 100.00	1.0	.9	.7	.9	.7	.9	1.0	.8	.3	.2
\$ 100.01 to 300.00	19.1	17.3	16.3	14.5	13.5	11.9	10.9	9.9	8.8	6.6
301.01 to 500.00	19.8	18.6	18.4	18.9	18.7	17.9	17.1	15.2	14.0	12.7
500.01 to 1,000.00	29.3	30.2	30.4	30.4	30.7	30.4	29.6	30.5	30.5	29.3
1,000.01 to 1,500.00	12.8	14.2	14.3	14.6	14.2	15.9	16.3	17.9	19.0	19.5
1,500.01 to 2,500.00	9.1	11.7	12.7	13.8	13.8	15.8	18.5	21.1	24.1	28.4

Distribution of Cash Advances

Art. 3.16	1.0%	.7%	.8%	.7%	.8%	.7%	.6%	.4%	.3%	.3%
Art. 3.15 to \$ 100.00	.1	.1	.1	.1	.1	.1	.1	.1	.*	.*
\$ 100.01 to 300.00	5.7	4.7	4.4	3.8	3.6	2.9	2.7	2.2	1.8	1.4
300.01 to 500.00	11.7	9.9	9.6	9.5	9.3	8.3	7.6	6.2	5.3	4.6
500.01 to 1,000.00	30.7	29.0	28.4	27.4	28.2	25.9	23.9	22.6	21.4	19.2
1,000.01 to 1,500.00	23.2	23.4	22.9	23.0	22.1	23.1	22.7	23.0	22.8	21.8
1,500.01 to 2,500.00	27.6	32.2	33.8	35.5	35.9	38.2	42.4	45.5	48.4	52.7

\* Less than .1%

Average Size Art. 3.15 Loan	\$ 720	\$ 784	\$ 794	\$ 834	\$ 846	\$ 889	\$ 943	\$ 996	\$ 1,058	\$ 1,136
Average Size Art. 3.16 Loan	74	77	78	79	78	86	87	88	88	90

The profit and loss for Article 3.15 Lenders is depicted below from the same viewpoints as used in our previous publications.

Income and expenses per account per month indicated the following:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Gross Income	\$ 11.24	\$ 12.42	\$ 13.03	\$ 13.26	\$ 12.69	\$ 12.69	\$ 14.14	\$ 15.75	\$ 16.28	\$ 16.87
Expenses before Interest and Taxes	6.74	7.40	7.68	7.96	8.45	8.65	9.48	9.16	9.36	9.90
Net Income before Interest and Taxes	4.49	5.02	5.35	5.30	4.24	4.03	4.67	6.60	6.92	6.97
Expenses Including Interest and Taxes	10.31	10.79	11.22	12.19	12.71	12.73	13.71	14.13	14.83	16.17
Net Income after Interest and Taxes	.93	1.63	1.76	1.07	(.02)	(.04)	.43	1.62	1.45	.70

(Each of the above amounts is individually calculated and rounded resulting in some apparent errors of \$.01)

The lender's net income before and after interest and taxes is depicted in its percentage relationship to various amounts as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
<b>BEFORE</b>										
As a % of Gross Income	39.98%	40.42%	41.07%	39.92%	33.43%	31.79%	32.97%	41.88%	42.50%	41.34%
As a % of Average Net Loans Outstanding	9.53	10.08	10.07	9.46	7.43	6.90	7.60	10.06	9.97	9.53
As a % of December 31 Net Loan Assets	8.48	8.67	8.75	8.72	7.47	6.87	7.24	9.51	9.40	9.13
<b>AFTER</b>										
As a % of Gross Income	8.24%	13.14%	13.53%	8.10%	(.19)%	(.31)%	3.06%	10.28%	8.92%	4.18%
As a % of Average Net Loans Outstanding	1.96	3.28	3.31	1.92	(.04)	(.07)	.71	2.47	2.09	.96
As a % of December 31 Net Loan Assets	1.75	2.82	2.88	1.77	(.04)	(.07)	.67	2.33	1.97	.92



## BALANCE SHEETS

## LENDERS CLASSIFIED AS 3.15 LENDERS

(000)

ASSETS	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Loans Receivable										
Number.....	916	886	908	903	845	738	666	683	706	719
Gross Unpaid Balances.....	\$ 625,858	\$ 658,385	\$ 708,291	\$ 730,428	\$ 684,705	\$ 627,313	\$ 608,522	\$ 665,128	\$ 723,047	\$ 774,814
Unearned Interest and Charges.....	(96,828)	(102,835)	(112,266)	(115,181)	(103,787)	(96,301)	(96,400)	(107,576)	(117,595)	(125,756)
Net Loans Receivable.....	529,030	555,550	596,025	615,247	580,918	531,012	512,122	557,552	605,452	649,058
Reserve for Bad Debts.....	(15,756)	(17,307)	(18,243)	(18,418)	(19,153)	(17,104)	(16,761)	(17,924)	(19,727)	(21,646)
Adjusted Net Loans Receivable.....	513,274	538,243	577,782	596,829	561,765	513,908	495,361	539,628	585,725	627,412
Cash on Hand and in Banks.....	11,208	11,551	13,623	13,698	7,381	6,355	4,410	3,321	2,869	3,025
Capital Assets:										
Land and Buildings.....	1,120	957	388	316	336	259	319	437	436	350
Furniture, Fixtures and Equipment.....	6,266	6,424	6,862	6,810	6,150	4,883	4,310	4,244	4,259	5,250
Leasehold Improvements.....	977	1,094	1,264	1,154	1,264	1,078	1,039	1,119	1,018	1,179
Gross Capital Assets.....	8,363	8,475	8,514	8,280	7,750	6,220	5,668	5,800	5,713	6,779
Allowances for Depreciation and Amortization.....	(3,959)	(4,445)	(4,572)	(4,251)	(4,417)	(3,435)	(2,881)	(2,806)	(2,891)	(3,036)
Net Capital Assets.....	4,404	4,030	3,942	4,029	3,333	2,785	2,787	2,994	2,822	3,743
Organizational Expenses (Less Amortization).....	51	64	34	28	55	33	282	711	566	278
Deferred Charges.....	3,392	2,936	2,752	2,791	1,784	2,053	1,671	1,713	1,779	1,548
Other Regulated Loan Business Assets.....	48,666	60,359	51,248	36,817	23,839	13,350	13,909	10,142	11,060	12,039
Total Regulated Loan Assets.....	\$ 580,995	\$ 617,183	\$ 649,381	\$ 654,192	\$ 598,157	\$ 538,484	\$ 518,420	\$ 558,509	\$ 604,821	\$ 648,045
Other Business Assets.....	314,840	359,265	418,902	571,308	637,365	661,834	667,946	849,537	1,162,310	1,074,390
TOTAL ASSETS.....	\$ 895,835	\$ 976,448	\$ 1,068,283	\$ 1,225,500	\$ 1,235,522	\$ 1,200,318	\$ 1,186,366	\$ 1,408,046	\$ 1,767,131	\$ 1,722,435
LIABILITIES AND CAPITAL										
Accounts Payable.....	\$ 9,845	\$ 9,776	\$ 8,927	\$ 10,966	\$ 9,243	\$ 14,736	\$ 13,952	\$ 15,073	\$ 15,898	\$ 7,143
Accrued Expenses.....	3,462	4,687	1,259	1,623	2,520	4,247	2,252	2,474	5,154	3,511
Borrowed Funds:										
Banks.....	51,333	31,954	41,282	43,910	39,060	53,139	30,952	14,968	120,928	26,859
Other Creditors.....	76,875	90,137	105,738	91,611	99,104	119,079	94,452	79,046	641,132	576,981
Parent Company or Affiliates.....	456,834	511,878	519,712	644,261	617,293	566,805	557,135	659,447	740,868	861,934
Total Borrowed Funds.....	585,042	633,969	666,732	779,782	755,457	739,023	682,539	753,461	1,502,928	1,465,774
Bonds and Debentures.....	35,981	35,592	55,608	52,114	52,711	50,012	71,214	81,643	90,863	84,985
Other Liabilities.....	83,768	104,956	136,518	175,233	247,658	240,622	293,723	423,545	14,986	13,467
Total Liabilities.....	\$ 718,098	\$ 788,980	\$ 869,044	\$ 1,019,718	\$ 1,067,589	\$ 1,048,640	\$ 1,063,680	\$ 1,276,196	\$ 1,629,829	\$ 1,574,880
CAPITAL: Individual Owners and Partnerships.....	9,470	9,048	8,507	8,347	6,494	7,267	5,698	6,531	6,693	7,377
CAPITAL: Corporations.....	168,267	178,420	190,732	197,435	161,439	144,411	116,988	125,319	130,609	140,178
TOTAL LIABILITIES AND CAPITAL.....	\$ 895,835	\$ 976,448	\$ 1,068,283	\$ 1,225,500	\$ 1,235,522	\$ 1,200,318	\$ 1,186,366	\$ 1,408,046	\$ 1,767,131	\$ 1,722,435

INCOME AND EXPENSE STATEMENTS

LENDERS CLASSIFIED AS 3.15 LENDERS

(000)

INCOME	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Unearned Interest and Charges Previous Year .....	\$ 98,625	\$ 102,919	\$ 112,183	\$ 115,288	\$ 100,373	\$ 88,311	\$ 96,339	\$ 107,528	\$ 117,543	
Interest Charges 3.15 Loans.....	148,671	156,810	158,933	136,016	128,625	127,986	146,310	159,991	165,726	
Installment Account Handling charges 3.16 Loans....	1,192	1,157	1,049	1,046	878	769	553	361	373	
Sub Total.....	248,488	260,886	272,165	252,350	229,876	217,066	243,202	267,880	283,642	
Less: Unearned Interest and Charges Current Year..	102,835	112,266	115,181	103,933	99,462	96,400	107,576	117,595	125,755	
Less: Refunds.....	46,018	46,027	47,339	41,902	36,231	34,328	40,275	47,935	49,010	
Earned Interest and Charges.....	97,885	99,635	102,593	109,645	106,515	94,183	86,337	95,351	120,350	
Acquisition Charges 3.16 Loans.....	574	458	487	450	469	377	344	249	176	
Deferment Charges.....	2,747	2,277	2,755	2,701	2,817	2,123	2,401	2,768	3,261	
Default Charges.....	5,079	5,943	6,499	6,764	7,114	6,201	5,247	5,376	5,574	
Collections on Accounts Previously Charged Off.....	857	2,808	2,205	1,812	2,177	1,425	1,924	1,462	832	
Insurance Income.....	15,772	20,531	23,167	20,356	13,890	11,772	15,550	20,846	21,151	
Other Income from Regulated Loans.....	236	834	703	1,085	678	226	2,011	820	393	
Total Income.....	\$ 123,150	\$ 132,486	\$ 138,409	\$ 142,813	\$ 133,660	\$ 116,307	\$ 113,814	\$ 126,872	\$ 133,737	
<b>EXPENSE</b>										
Advertising.....	\$ 2,728	\$ 2,982	\$ 3,374	\$ 3,123	\$ 2,456	\$ 1,905	\$ 2,168	\$ 2,430	\$ 2,726	\$ 2,723
Bad Debts:										
Charged Off.....	1,305	1,328	1,483	1,459	2,456	1,722	1,452	1,360	1,888	1,922
Additions to Reserves.....	16,488	17,147	17,646	19,899	22,961	20,815	19,567	15,603	16,221	17,682
Rent, Lights, Heat and Janitor Service.....	4,415	4,778	5,013	5,036	5,040	4,525	4,199	4,222	4,074	4,289
Salaries of Officers, Owners and Partners.....	2,418	1,381	1,510	2,051	1,897	1,478	3,681	2,942	1,114	1,217
Salaries of All Other Employees.....	25,068	27,115	27,644	28,148	27,966	24,632	21,861	23,022	25,257	28,175
Supervision and Administration.....	5,869	6,944	7,107	7,057	7,902	9,237	7,567	8,072	8,551	9,332
License and Examination Fees.....	268	229	220	288	285	261	244	297	352	336
Other Expense.....	15,350	17,036	17,563	18,735	18,017	14,758	15,528	15,791	16,719	18,250
Total Expenses before Interest and Federal Taxes...	73,909	78,940	81,560	85,796	88,980	79,333	76,268	73,739	76,902	83,926
Net Income before Interest and Federal Taxes.....	49,241	53,546	56,849	57,017	44,680	36,974	37,547	53,133	56,835	59,136
Interest Expense:										
Bona Fide Third Parties.....	7,384	5,633	4,198	5,051	7,519	6,373	3,809	2,725	3,203	5,479
Affiliates.....	28,158	24,203	27,084	33,832	37,789	28,944	29,049	32,286	37,350	46,405
Total Interest.....	35,542	29,836	31,282	38,883	45,308	35,317	32,858	35,011	40,553	51,884
Total Expenses before Federal Taxes.....	109,451	108,776	112,842	124,679	134,288	114,650	109,125	108,749	117,455	135,810
Net Operational Income.....	13,699	23,710	25,567	18,134	(628)	1,657	4,689	18,123	16,282	7,252
Federal Income Taxes.....	3,550	6,306	6,835	6,560	(368)	2,021	1,207	5,085	4,351	1,277
Net Income.....	\$ 10,149	\$ 17,404	\$ 18,732	\$ 11,574	\$ (260)	\$ (364)	\$ 3,482	\$ 13,038	\$ 11,931	\$ 5,975

\* The sometimes unusual relationship between net income before taxes and income tax expense results from some companies showing a profit for the year on which they paid taxes while other companies with losses reported a "negative tax" or zero taxes. No attempt has been made to impute a "negative tax" effect attributable to those companies who reported a tax loss for the year with zero tax expense.





ANNUAL REPORT STATISTICS  
OF  
ARTICLE 3,16 LENDERS

The statistics on Article 3.16 Lenders are based on the following numbers of reports and offices:

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979*
Number of Reports	430	387	405	410	419	430	419	427	430	395
Number of Offices	673	617	653	655	689	709	697	705	716	673

The average Article 3.16 Lender office contained the following numbers of regulated loans and dollars dedicated to the regulated loan business (net loans receivable are total loans receivable less unearned charges):

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Number of Loans, December 31	499	522	515	537	540	541	554	569	583	625
Net Loans Receivable, December 31	\$ 36,051	\$ 37,917	\$ 38,219	\$ 40,791	\$ 42,067	\$ 42,273	\$ 43,911	\$ 45,880	\$ 46,899	\$ 50,397
Net Loan Assets, December 31	43,500	46,133	45,928	49,239	50,620	52,470	54,784	58,454	60,928	64,685

All Article 3.16 Lenders held the following regulated loans receivable taken as an average of the receivables held at the end of each month throughout each year (net loans receivable are total loans receivable less unearned charges):

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Number of Loans	333,009	316,479	329,171	338,531	365,007	378,858	372,911	387,641	404,274	405,098
Net Loans Receivable (000)	\$ 24,061	\$ 22,197	\$ 23,709	\$ 24,719	\$ 27,411	\$ 29,863	\$ 28,885	\$ 30,057	\$ 31,727	\$ 31,727
Average Net Loan	72	70	72	73	75	78	77	78	78	78

\*In 1979 we omitted from our tabulation 19 companies operating 19 offices who had less than \$10,000 gross regulated loans receivable.

The number of loans made by Article 3.16 Lenders was distributed among the four classifications of borrowers as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
New Borrowers	8.6%	8.8%	8.9%	8.8%	8.8%	8.2%	8.4%	8.7%	8.6%	8.8%
Former Borrowers	22.4	22.6	22.6	22.7	22.3	22.5	22.5	21.9	22.6	22.2
Present Borrowers (More Cash)	48.1	48.5	48.4	49.6	49.7	50.5	50.5	50.3	50.5	51.0
Present Borrowers (No More Cash)	20.9	20.1	20.1	18.9	19.2	18.8	18.6	19.1	18.3	18.0

The cash advance made by Article 3.16 Lenders was distributed among the four classifications of borrowers as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
New Borrowers	7.6%	7.7%	8.2%	7.9%	7.5%	6.9%	7.1%	7.6%	7.4%	7.6%
Former Borrowers	17.6	18.4	19.0	18.9	18.4	18.6	19.3	19.2	20.2	20.1
Present Borrowers (No More Cash)	17.1	16.8	17.1	16.6	17.6	17.5	17.2	18.4	17.6	17.5
Present Borrowers (More Cash)										
Old Balance Renewed	36.3	35.2	33.7	34.4	34.6	34.4	34.3	33.2	33.3	32.9
New Money Advanced	21.4	21.9	22.0	22.2	21.9	22.6	22.1	21.6	21.5	21.9

The cash advance of Article 3.16 loans made by Article 3.16 Lenders was distributed among six classes of collateral as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
None	78%	78%	76%	75%	73%	73%	71%	70%	69%	69%
Co-maker/Guarantor	*	*	*	*	*	*	*	*	*	*
Household Goods	19	19	22	23	25	25	27	28	29	30
Automobile	2	2	1	1	1	1	1	1	1	1
Household Goods and Automobile	*	*	*	*	*	*	*	*	*	*
Other	1	1	1	*	1	*	*	*	*	*

\* Less than .5%

LOANS MADE BY ARTICE 3.16 LENDERS

Distribution of Number of Loans

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Art. 3.16 to \$ 29.99		15.5%	14.8%	12.4%	10.5%	9.4%	7.4%	6.0%	5.0%	3.9%
\$ 30.00 to 35.00	29.7%	11.6	9.8	9.1	7.8	7.2	6.1	5.2	4.5	3.7
35.01 to 70.00	28.5	28.1	27.0	25.8	24.7	23.7	22.5	20.6	18.6	16.7
70.01 to 100.00	40.5	44.0	47.6	52.1	56.3	59.0	63.5	67.7	71.5	75.3
Art. 3.15 to 100.00	.1	.*	.*	.*	.*	.*	.*	.0	.0	.0
100.01 to 500.00	.9	.6	.6	.5	.4	.5	.4	.4	.3	.3
500.01 to 2,500.00	.3	.2	.2	.1	.1	.2	.1	.1	.1	.1

Distribution of Cash Advances

Art. 3.16 to \$ 29.99		4.0%	3.8%	3.1%	2.7%	2.3%	1.8%	1.4%	1.1%	.9%
\$ 30.00 to 35.00	10.3%	5.6%	4.5%	4.0%	3.3%	2.9%	2.4%	2.0%	1.7%	1.4%
35.01 to 70.00	22.3	21.6	20.1	18.5	17.2	16.0	14.9	13.3	11.6	10.2
70.01 to 100.00	60.1	64.0	67.1	70.8	73.6	74.6	78.5	81.2	83.3	85.8
Art. 3.15 to 100.00	.1	.*	.*	.*	.*	.*	.*	.0	.0	.0
100.01 to 500.00	4.1	2.5	2.5	1.8	1.6	2.2	1.5	1.3	1.2	.9
500.01 to 2,500.00	3.1	2.3	2.0	1.8	1.6	2.0	.9	.8	1.1	.8

\* Less than .05%

Average Size Art. 3.16 Loan	\$ 60	\$ 63	\$ 65	\$ 68	\$ 71	\$ 73	\$ 76	\$ 79	\$ 82	\$ 84
Average Size Art. 3.15 Loan	355	403	378	413	408	398	362	369	421	421

The profit and loss for Article 3.16 Lenders is depicted below from the same viewpoints as used in our previous publications.

Income and expenses per account per month indicated the following:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Gross Income	\$ 5.86	\$ 6.04	\$ 6.22	\$ 6.31	\$ 6.50	\$ 6.62	\$ 6.82	\$ 6.94	\$ 7.03	\$ 7.09
Expenses before Interest and Taxes	4.75	4.86	5.14	5.28	5.47	5.55	5.72	5.66	5.87	6.11
Net Income before Interest and Taxes	1.11	1.18	1.07	1.10	1.03	1.06	1.11	1.28	1.16	.98
Expenses Including Interest and Taxes	5.23	5.33	5.59	5.72	5.93	6.03	6.17	6.13	6.37	6.57
Net Income after Interest and Taxes	.63	.71	.63	.67	.58	.58	.65	.81	.66	.52

(Each of the above amounts is individually calculated and rounded resulting in some apparent errors of \$.01)

The lender's net income before and after interest and taxes is depicted in its percentage relationship to various amounts as follows:

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
<b>BEFORE</b>										
As a % of Gross Income	18.90%	19.50%	17.29%	17.28%	15.83%	16.07%	16.28%	18.41%	16.43%	13.81%
As a % of Average Net Loans Outstanding	18.37	20.14	17.91	18.13	16.45	16.19	17.22	19.77	17.67	15.01
As a % of December 31 Net Loan Assets	15.10	15.71	14.16	13.90	12.93	13.00	13.03	14.42	12.85	10.94
<b>AFTER</b>										
As a % of Gross Income	10.72%	11.74%	10.15%	10.51%	8.86%	8.82%	9.59%	11.62%	9.38%	7.36%
As a % of Average Net Loans Outstanding	10.42	12.12	10.52	11.03	9.21	8.89	10.15	12.48	10.08	7.99
As a % of December 31 Net Loan Assets	8.57	9.45	8.31	8.46	7.24	7.13	7.68	9.10	7.33	5.83



BALANCE SHEETS

LENDERS CLASSIFIED AS 3.16 LENDERS

(000)

ASSETS	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Loans Receivable										
Number.....	336	333	337	352	372	383	386	401	417	420
Gross Unpaid Balances.....	\$ 28,220	\$ 27,249	\$ 29,240	\$ 31,495	\$ 34,172	\$ 35,406	\$ 36,118	\$ 38,444	\$ 40,053	\$ 40,665
Unearned Interest and Charges.....	(3,957)	(3,854)	(4,283)	(4,777)	(5,188)	(5,434)	(5,512)	(6,099)	(6,474)	(6,747)
Net Loans Receivable.....	24,263	23,395	24,957	26,718	28,984	29,972	30,606	32,345	33,579	33,918
Reserve for Bad Debts.....	(914)	(848)	(1,012)	(1,231)	(1,379)	(1,359)	(1,200)	(1,394)	(1,375)	(1,526)
Adjusted Net Loans Receivable.....	23,349	22,547	23,945	25,487	27,605	28,613	29,406	30,951	32,204	32,392
Cash on Hand and in Banks.....	2,373	2,257	2,504	2,268	2,193	2,556	2,788	2,770	2,994	2,543
Capital Assets:										
Land and Buildings.....	907	1,072	1,004	823	902	969	935	1,177	1,516	1,718
Furniture, Fixtures and Equipment.....	2,018	1,979	1,887	1,929	2,090	2,217	2,322	2,524	2,811	2,974
Leasehold Improvements.....	88	88	144	142	151	156	204	173	165	205
Gross Capital Assets.....	3,013	3,139	3,035	2,894	3,143	3,342	3,461	3,874	4,492	4,897
Allowances for Depreciation and Amortization.....	(1,228)	(1,415)	(1,338)	(1,264)	(1,372)	(1,518)	(1,613)	(1,707)	(1,898)	(2,072)
Net Capital Assets.....	1,785	1,724	1,697	1,630	1,771	1,824	1,848	2,167	2,594	2,825
Organizational Expenses (Less Amortization).....	45	34	40	25	65	71	39	40	26	16
Deferred Charges.....	71	42	246	227	195	206	202	464	287	337
Other Regulated Loan Business Assets.....	1,653	1,861	1,559	2,615	3,049	3,931	3,902	4,818	5,520	5,420
Total Regulated Loan Assets.....	\$ 29,276	\$ 28,465	\$ 29,991	\$ 32,252	\$ 34,878	\$ 37,201	\$ 38,185	\$ 41,210	\$ 43,625	\$ 43,533
Other Business Assets.....	13,488	9,341	9,539	16,998	8,929	10,536	13,106	13,819	14,937	12,810
TOTAL ASSETS.....	\$ 42,764	\$ 37,806	\$ 39,530	\$ 49,250	\$ 43,807	\$ 47,737	\$ 51,291	\$ 55,029	\$ 58,562	\$ 56,343
LIABILITIES AND CAPITAL										
Accounts Payable.....	\$ 643	\$ 575	\$ 618	\$ 479	\$ 610	\$ 655	\$ 742	\$ 610	\$ 885	\$ 541
Accrued Expenses.....	296	388	266	357	331	440	474	615	593	565
Borrowed Funds:										
Banks.....	8,282	5,083	4,418	8,033	4,187	3,848	4,673	5,151	4,933	6,092
Other Creditors.....	5,743	5,884	6,014	7,697	7,463	7,749	8,381	8,626	9,277	6,819
Parent Company or Affiliates.....	764	1,280	2,028	2,301	2,573	3,445	2,898	4,317	5,852	6,527
Total Borrowed Funds.....	14,789	12,247	12,460	18,031	14,223	15,042	15,952	18,094	20,062	19,438
Bonds and Debentures.....	592	443	369	473	512	587	755	510	473	425
Other Liabilities.....	753	687	801	890	746	1,351	684	964	1,279	1,528
Total Liabilities.....	\$ 17,073	\$ 14,340	\$ 14,514	\$ 20,230	\$ 16,422	\$ 18,075	\$ 18,607	\$ 20,793	\$ 23,292	\$ 22,497
CAPITAL: Individual Owners and Partnerships.....	16,060	13,700	14,034	13,410	13,763	14,233	15,508	15,367	15,737	13,558
CAPITAL: Corporations.....	9,631	9,766	10,982	15,610	13,622	15,429	17,176	18,869	19,533	20,288
TOTAL LIABILITIES AND CAPITAL.....	\$ 42,764	\$ 37,806	\$ 39,530	\$ 49,250	\$ 43,807	\$ 47,737	\$ 51,291	\$ 55,029	\$ 58,562	\$ 56,343

INCOME AND EXPENSE STATEMENTS

LENDERS CLASSIFIED AS 3.16 LENDERS

(000)

INCOME	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Unearned Interest and Charges Previous Year .....	\$	\$ 3,610	\$ 3,972	\$ 4,312	\$ 4,854	\$ 5,546	\$ 5,355	\$ 5,427	\$ 6,146	\$ 6,191
Interest Charges 3.15 Loans.....		716	702	536	565	868	459	462	483	359
Installment Account Handling charges 3.16 Loans....		16,579	17,951	19,505	21,421	22,151	22,902	24,305	25,592	26,042
Sub Total.....		20,905	22,625	24,353	26,840	28,565	28,716	30,194	32,221	32,592
Less: Unearned Interest and Charges Current Year..		3,876	4,283	4,776	5,188	5,625	5,512	6,112	6,474	6,747
Less: Refunds.....		2,870	3,267	3,602	4,048	4,392	4,492	4,825	5,012	4,919
Earned Interest and Charges.....	14,575	14,159	15,075	15,975	17,604	18,548	18,712	19,257	20,735	20,926
Acquisition Charges 3.16 Loans.....	7,411	7,430	7,905	8,502	9,234	9,600	10,000	10,760	11,261	11,484
Deferment Charges.....	75	47	63	74	73	67	49	52	54	76
Default Charges.....	624	637	706	742	861	968	939	1,014	1,113	1,140
Collections on Accounts Previously Charged Off....	546	517	529	499	513	546	567	560	503	518
Insurance Income.....	116	91	86	54	58	47	39	116	47	26
Other Income from Regulated Loans.....	52	49	201	98	137	305	256	516	390	312
Total Income.....	\$ 23,399	\$ 22,930	\$ 24,565	\$ 25,944	\$ 28,480	\$ 30,081	\$ 30,562	\$ 32,275	\$ 34,103	\$ 34,482
EXPENSE										
Advertising.....	\$ 480	\$ 530	\$ 537	\$ 586	\$ 616	\$ 590	\$ 574	\$ 518	\$ 658	\$ 568
Bad Debts:										
Charged Off.....	1,459	1,416	1,504	1,453	1,605	1,370	1,514	1,532	1,501	1,601
Additions to Reserves.....	1,421	1,301	1,431	1,722	2,052	2,010	1,792	2,045	2,228	2,370
Rent, Lights, Heat and Janitor Service.....	1,297	1,300	1,464	1,527	1,759	1,938	1,848	1,956	2,133	2,159
Salaries of Officers, Owners and Partners.....	2,346	2,305	2,889	2,965	2,847	3,076	3,477	3,324	3,522	3,684
Salaries of All Other Employees.....	6,713	6,605	7,050	7,508	8,365	8,919	9,007	9,166	10,163	10,446
Supervision and Administration.....	683	1,051	1,004	1,011	1,273	1,300	1,223	1,193	1,489	1,715
License and Examination Fees.....	131	128	99	143	172	184	168	197	199	181
Other Expense.....	4,447	3,823	4,341	4,547	5,282	5,859	5,985	6,403	6,605	6,996
Total Expenses before Interest and Federal Taxes...	18,977	18,459	20,319	21,462	23,971	25,246	25,588	26,334	28,498	29,720
Net Income before Interest and Federal Taxes.....	4,422	4,471	4,246	4,482	4,509	4,835	4,974	5,941	5,605	4,762
Interest Expense:										
Bona Fide Third Parties.....	810	689	611	628	895	1,055	858	841	989	1,114
Affiliates.....	71	87	101	161	158	161	156	288	280	294
Total Interest.....	881	776	712	789	1,053	1,216	1,014	1,129	1,269	1,408
Total Expenses before Federal Taxes.....	19,858	19,235	21,031	22,251	25,024	26,462	26,602	27,463	29,767	31,128
Net Operational Income.....	3,541	3,695	3,534	3,693	3,456	3,619	3,960	4,812	4,336	3,354
Federal Income Taxes.....	1,033	1,004	1,041	966	933	965	1,029	1,062	1,138	818
Net Income.....	\$ 2,508	\$ 2,691	\$ 2,493	\$ 2,727	\$ 2,523	\$ 2,654	\$ 2,931	\$ 3,750	\$ 3,198	\$ 2,536







