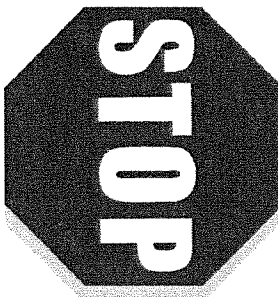


Virginia Car title Loans



A Breakdown of Fees and Costs to Borrowers*



	\$700 loan		\$1500 loan	
4 month loan			4 month loan	
Total repayment	\$ 1,316		Total repayment	\$ 2,680
Monthly Payment	\$ 329		Monthly Payment	\$ 670
Rough APR	268%		Rough APR	239%
6 month loan			6 month loan	
TOTAL REPAYMENT	\$ 1,624		TOTAL Repayment	\$ 3,270
MONTHLY Payment	\$ 271		MONTHLY Payment	\$ 545
Rough APR	268%		Rough APR	239%
12 month loan			12 month loan	
TOTAL Repayment	\$ 2,548		TOTAL Repayment	\$ 5,040
MONTHLY Payment	\$ 212		MONTHLY Payment	\$ 420
Rough APR	264%		Rough APR	236%

*Example loans and the amount borrowers would expect to pay

**BUYERS
BEWARE!
THESE
LOANS ARE
STILL A
BAD DEAL
AND YOU
CAN STILL
LOSE YOUR
CAR!**

Information Compiled with help from the Center for Responsible Lending

A document by the Virginia Partnership to Encourage Responsible Lending (VAPERL)



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VirginiaFairLoans.org

Virginia Car title Loans

SUMMARY OF New Car Title Loan Law

Effective October 1st 2010



**KNOW YOUR RIGHTS!
READ THIS BEFORE
SIGNING A CONTRACT!**

1. Car Title Loans are now regulated by Virginia; Lenders must be licensed and regulated by the State Corporation Commission.
2. Interest caps as follows:
 - a. 22% per month (264% APR) for that portion of the loan under \$700
 - b. 18% per month (216% APR) for that portion of the loan between \$700 and \$1400
 - c. 15% per month (180% APR) for that portion of the loan over \$1400
3. Minimum loan term of 120 days (4 months) and a maximum loan term of one year
4. If the borrower doesn't pay the loan (defaults), **VEHICLES MAY BE REPOSSESSED!** It is the only remedy. Lenders can't file suit for a judgment.
5. Lender must give 10 days notice by mail before repossessing a vehicle. The notice runs from the date mailed by the lender
6. Again, **VEHICLES CAN BE REPOSSESSED!** However, no interest may be charged after repossession and after the loan is in default 60 days, unless the borrower hides the vehicle.

7. Loans must be closed-end (they must have an ending date and repayment must be in substantially equal monthly installments of principal and interest.
8. Lender must give 15 days notice before selling the car after repossession.
9. A loan cannot be for more than 50 percent of the fair market value of the car.
10. No electronic debiting of borrower's deposit account.
11. The car used as collateral must be paid off (lien-free)
12. One loan at a time per borrower.
13. No loans to members of the military
14. Lenders must comply with the Fair Debt Collection Practices Act
15. Loan cannot be refinanced, renewed or rolled over

IF YOU HAVE QUESTIONS OR PROBLEMS WITH THIS TYPE OF LOAN, PLEASE CALL THE CAR TITLE HOTLINE:

866-830-4501

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