

2023 UPDATE TO:

“STILL WRONG: WRECKED BY DEBT / TITLE LENDING IN ARIZONA 2019”

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Jean Ann Fox
Kelly Griffith
Rob Stansfield



Document history:

- 2022 Update to “Still Wrong: Wrecked by Debt ~ Title Lending in Arizona 2019”, March 2022
<https://economicintegrity.org/wp-content/uploads/2022/04/2022-03-22-CEI-CTL-Update-Brief-2022.pdf>
- “Still Wrong: Wrecked by Debt ~ Title Lending in Arizona 2019”, August 2019
<https://economicintegrity.org/wp-content/uploads/2019/08/2019-CEI-Brief-Update-Car-Title-Loan-Survey-8-4-19.pdf>
- “Wrong Way: Wrecked by Debt ~ Auto Title Lending in Arizona”, January 2016
https://economicintegrity.org/wp-content/uploads/2018/06/160126_wrongway_report_cfa-scei_final_cover.pdf

2023 UPDATE TO “STILL WRONG: WRECKED BY DEBT / TITLE LENDING IN ARIZONA 2019”

UPDATED WITH AZ DIFI SALES FINANCE ROSTER FOR 2022/2023 LICENSE YEAR

Arizona law¹ permits car title lending at 120 to 204% APR for asset-based lending that traps vulnerable families in repeat borrowing and risks repossession of a key family asset or default judgments followed by garnishment of wages to collect unaffordable debt. Lenders licensed as Sales Finance companies under the Secondary Motor Vehicle Finance Transaction provisions of Title 44, Chap. 2.1 make cash loans “secured” by the borrower’s vehicle at rates far higher than Arizona’s usury law permits for consumer lender loans. Licensed Sales Finance companies are making payday loan lookalike “registration” loans under the title loan law instead of as Consumer Lenders subject to Arizona’s usury law.

This factsheet updates Findings from the 2022 Update² to the 2019 CEI survey report³ on the status of title lending in Arizona, using Sales Finance licensee information from the Department of Insurance and Financial Institutions for the license cycle July 1, 2022 through June 30, 2023.

FINDINGS

- The title loan industry is still consolidating due to mergers of large national companies and surrender of licenses by small companies. The number of Arizona-licensed Sales Finance companies making car title loans after license renewals for 2022/2023 is 50 companies that hold 58 unique licenses and have 412 licensed locations. In 2021/2022 58 companies held 66 company licenses and had 425 licensed locations (company plus branch licenses), down from 476 licensed locations in 2019.
- Out-of-state companies control a growing share of licensed locations in Arizona. In 2022/2023, 71 percent of licensed locations were owned by out-of-state companies compared to 59 percent in 2019.

¹ A.R.S. 44-281 “Secondary Motor Vehicle Finance Transaction” loans, in Motor Vehicle Time Sales Disclosure Act ([A.R.S. Title 44](#), Chap. 2.1)

² CEI, “2022 Update to: *Still Wrong: Wrecked by Debt/Title Lending in Arizona 2019*,” March 2022 at <https://economicintegrity.org/wp-content/uploads/2022/04/2022-03-22-CEI-CTL-Update-Brief-2022.pdf>

³ CEI, “Still Wrong: Wrecked by Debt/Title Lending in Arizona 2019,” August 2019 at <https://economicintegrity.org/wp-content/uploads/2019/08/2019-CEI-Brief-Update-Car-Title-Loan-Survey-8-4-19.pdf> Also, CFA/CEI, “Wrong Way: Wrecked by Debt – Auto Title Lending In Arizona,” January 26, 2016 at <https://consumerfed.org/reports/wrong-way-wrecked-by-debtauto-title-lending-in-arizona/>

- Almost half (45 percent) of the 412 licensed title loan locations in the 2022/2023 cycle are owned by companies that were payday lenders in Arizona prior to sunset of the payday loan law in 2010. This is up from 37 percent in 2019.
- Sales Finance companies are exploiting the weak “Secondary Motor Vehicle Finance Transaction” law and lax enforcement by the Department of Insurance and Financial Institutions and the Office of Attorney General to make triple-digit-rate payday loan lookalike “registration” loans, purportedly “secured” by vehicles that consumers do not own free and clear. In 2023, 18 of the 50 licensed title lender companies with 331 licensed locations or 80 percent of licensed locations made “registration” loans. This is up from 75 percent of licensed locations making these loans in 2019.

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LARGEST TITLE LENDERS IN ARIZONA BY NUMBER OF LICENSED LOCATIONS 2022 / 2023

| Rank | Name / DBA | AZ DIFI SF License # | Licensed Locations |
|------|---|---|-----------------------|
| #1 | TitleMax of Arizona, Inc. TitleMax Online of Arizona, LLC | SF-0917582, SF-0920145, SF-1012621 | 81 (80 + 1) |
| #2 | Buckeye Check Cashing of Arizona, Inc. <i>branches</i> Check into Cash and CheckSmart. | SF-0914026, SF-1029197 | 40 |
| #3 | Populus Financial Group, Inc. <i>branches</i> ACE Cash Express, Inc. | SF-0911038, SF-0911039 | 37 |
| #4 | Allied Cash Advance Arizona LLC | SF-0909493 | 31 |
| #5 | Fast Auto Loans, Inc. | SF-0904877 | 28 |
| #6 | Checkmate Express Corporation | SF-0910900 | 21 |
| #7 | Cash Time Title Loans, Inc. | SF-0903593 | 19 |
| #8 | AAA Auto Title Loans, LLC | SF-0907852 | 17 |
| #9 | LoanMax, LLC | SF-0908734 | 16 |
| #10 | A Speedy Cash Car Title Loans, LLC Todd Car Title, Inc. | SF-0904074, SF-0906262 | 15 (11 + 4) |
| #11 | Phoenix Title Loans LLC | SF-0907496 | 11 |
| #12 | Tio Rico Te Ayuda of Arizona Inc. | SF-0946935 | 9 |
| #13 | Wheels Financial Group, LLC | SF-0910582, SF-0924928, SF-0924933, SF-0931438 | 9 |
| #14 | 1 Stop Money Centers LLC | SF-0905387 | 8 |
| #15 | Arizona Auto Lenders, Inc. | SF-0904650 | 8 |
| #16 | Presto Loan Centers, LLC | SF-1000814 | 7 |
| #17 | Southwest Title Loans, Inc. | SF-0950286 | 7 |

| | | | |
|--|--|------------|------------|
| #18 | Auto Title Loans And More, LLC | SF-0910837 | 6 |
| #19 | Arizona Smart Cash, Inc. | SF-0908728 | 4 |
| #20 | Auto Title Loans USA, LLC | SF-0923997 | 3 |
| #21 | Rapido Express Tax Service Corporation | SF-0920196 | 3 |
| other companies with 1 or 2 Licensed Locations = | | | 32 |
| Total Number of Licensed Locations = | | | 412 |

Source: CEI analysis of AZ DIFI Sales Finance Licensee Search July/August 2022 for licenses valid until June 30, 2023

2022/2023 AZDFI-LICENSED TITLE LENDERS HEADQUARTERED OUTSIDE ARIZONA

| Licensee and Parent Company | AZDFI License # and Parent Company Address | Headquarters | No. of Locations |
|--|--|--------------|------------------|
| TitleMax of Arizona, Inc. TitleMax Online of Arizona, LLC TMX Finance LLC | SF-0917582, SF-0920145, SF-1012621 15 Bull Street, Ste 200, Savannah, GA 31401 | Georgia | 81 |
| Buckeye Check Cashing of Arizona, Inc. <i>branches</i> Check Into Cash and CheckSmart Community Choice Financial Inc. / CCF Holdings LLC | SF-0914026, SF-1029197 5165 Emerald Parkway, Suite 100, Dublin, OH 43017 | Ohio | 40 |
| A Speedy Cash Title Loans Todd Car Title, Inc. Community Choice Financial | SF-0904074 SF-0906262 5165 Emerald Parkway, Suite 100, Dublin, OH 43017 | Ohio | 11 4 |
| Populus Financial Group <i>branches</i> Ace Cash Express, Inc. | SF-0911038, SF-0911039 300 E John Carpenter Fwy, Ste 900, Irving, TX 75062 | Texas | 37 |

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| | | | |
|--|---|------------|------------|
| Fast Auto Loans, Inc. | SF-0904877 | Georgia | 28 |
| Simple Fast Loans | SF-1001084 | Georgia | 1 |
| Southwest Title Loans, Inc. | SF-0950286 | Georgia | 7 |
| Community Loans of America | 8601 Dunwoody Pl, Ste 406, Atlanta, GA 30350-2550 | | |
| Allied Cash Advance Arizona LLC | SF-0909493 | Ohio | 31 |
| CNG Holdings, Inc., owns Access Financial Services with brands Check 'N Go and Allied Cash Advance | 7755 Montgomery Rd., Suite 400, Cincinnati, OH 45236 | | |
| Checkmate Express Corporation | SF-0910900 | California | 21 |
| Pacific Rim Alliance Corporation | 5800 Armada Drive, #240, Carlsbad, CA 92008 | | |
| LoanMax, LLC | SF-0908734 | Georgia | 16 |
| Select Management Resources, LLC | 3440 Preston Ridge Rd, Ste 500, Alpharetta, GA 30005-3823 | | |
| Wheels Financial Group, LLC | SF-0910582, SF-0924928, SF-0924933, SF-0931438 | California | 9 |
| | 15400 Sherman Way, Suite 170, Van Nuys, CA 91406 | | |
| USA Cash Services of Arizona Inc. | SF-0918028 | Utah | 2 |
| | 1752 Combe Road, Ste 1, Ogden, UT 84403 | | |
| Kathleen Marie Mason | SF-0912627 | Nevada | 1 |
| AdvanceCash | 7780 La Cienega St, Las Vegas, NV 89123-1708 | | |
| CCR Investment Group, Inc. | SF-1002004 | California | 1 |
| | 3710 Artesia Ave Unit B, Fullerton, CA 92833-2542 | | |
| MLJD, LLC | SF-0910631 | Delaware | 1 |
| Auto Equity Loans of DE, LLC | 105 Foulk Rd, Wilmington, DE 19803 | | |
| Westlake Services, LLC | SF-0917316 | California | 1 |
| | 4751 Wilshire Blvd, Ste 100, Los Angeles, CA 90010 | | |
| Wilshire Commercial Capital LLC | SF-0911158 | California | 1 |
| | 4751 Wilshire Blvd, Los Angeles, CA 90010 | | |
| TOTAL NUMBER OF LOCATIONS = | | | 293 |

ARIZONA LICENSED SALES FINANCE COMPANIES THAT OFFER PAYDAY LOAN LOOKALIKE “REGISTRATION” LOANS IN 2022 / 2023

| Rank | Name / DBA | AZ DIFI SF License # | Licensed Locations | Payday Lenders prior to 2010 |
|------|--|---------------------------------------|-----------------------|---------------------------------------|
| #1 | TitleMax of Arizona, Inc. TitleMax Online of Arizona, LLC | SF-0917582, SF-0920145, SF-1012621 | 81 (80 + 1) | |
| #2 | Buckeye Check Cashing of Arizona, Inc. <i>branches</i> Check into Cash and CheckSmart. | SF-0914026, SF-1029197 | 40 | Yes |
| #3 | Populus Financial Group, Inc. <i>branches</i> ACE Cash Express, Inc. | SF-0911038, SF-0911039 | 37 | Yes |
| #4 | Allied Cash Advance Arizona LLC | SF-0909493 | 31 | Yes |
| #5 | Fast Auto Loans, Inc. | SF-0904877 | 28 | Yes |
| #6 | Checkmate Express Corporation | SF-0910900 | 21 | Yes |
| #7 | Cash Time Title Loans, Inc. | SF-0903593 | 19 | |
| #8 | AAA Auto Title Loans, LLC d/b/a Cash ₁ | SF-0907852 | 17 | |
| #9 | A Speedy Cash Car Title Loans, LLC Todd Car Title, Inc. (CCF) | SF-0904074, SF-0906262 | 15 (11 + 4) | Yes |
| #10 | Tio Rico Te Ayuda of Arizona Inc. | SF-0946935 | 9 | |
| #11 | 1 Stop Money Centers LLC | SF-0905387 | 8 | Yes |
| #12 | Arizona Auto Lenders, Inc. | SF-0904650 | 8 | |
| #13 | Southwest Title Loans, Inc. | SF-0950286 | 7 | |
| #14 | Arizona Smart Cash, Inc. | SF-0908728 | 4 | Yes |
| #15 | America First Financial | SF-0904268 | 2 | |

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| | | | | |
|---|-------------------------------------|------------|------------|-----|
| #16 | USA Cash Services of Arizona, Inc | SF-0918028 | 2 | |
| #17 | Kathleen Marie Mason / Advance cash | SF-0912627 | 1 | Yes |
| #18 | SW Money Express, LLC | SF-0922749 | 1 | |
| Total Number of Licensed Locations Offering “Registration” Loans = | | | 331 | |

Source: CEI analysis of AZ DIFI Sales Finance Licensee list August 2022 for licenses valid until June 30, 2023. Review of websites, store displays, calls to lender branches to identify which licensees offer “registration” loans to borrowers with encumbered vehicle titles..

Note: Simple Fast Loans, SF-1001084, previously offered “registration” loans via its website (<https://www.simplefastloans.com/Personal-loans-online/> viewed 8/23/22). Simple Fast Loans now markets a “Personal Loan” of \$200 to \$3,000 to Arizona borrowers via a CC Connect product with Capital Community Bank, Provo, Utah. The Simple Fast Loans website lists 18 states where loans are made through a bank product (termed rent-a-bank lending). The site does not mention a requirement of a vehicle to secure the loan.