

Spring 2018

State Outcomes of Payday Regulation

Shannon Tremain

University of North Georgia, setrem1839@ung.edu

Follow this and additional works at: https://digitalcommons.northgeorgia.edu/honors_theses



Part of the [Finance and Financial Management Commons](#)

Recommended Citation

Tremain, Shannon, "State Outcomes of Payday Regulation" (2018). *Honors Theses*. 37.
https://digitalcommons.northgeorgia.edu/honors_theses/37

This Honors Thesis is brought to you for free and open access by the Honors Program at Nighthawks Open Institutional Repository. It has been accepted for inclusion in Honors Theses by an authorized administrator of Nighthawks Open Institutional Repository.

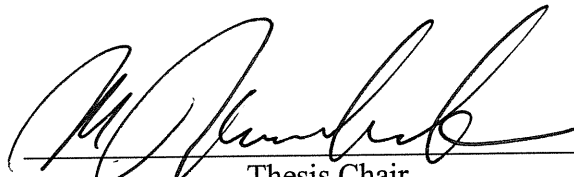
State Outcomes of Payday Regulation

A Thesis Submitted to
the Faculty of the University of North Georgia
In Partial Fulfillment
Of the Requirements for the Degree
Bachelor of Business Administration in Finance
With Honors

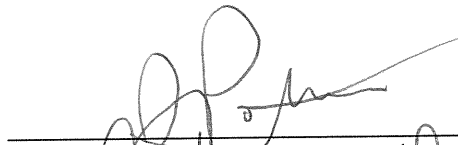
Shannon Tremain

Accepted by the Honors Faculty
of the University of North Georgia
in partial fulfillment of the requirements for the title of
Honors Program Graduate

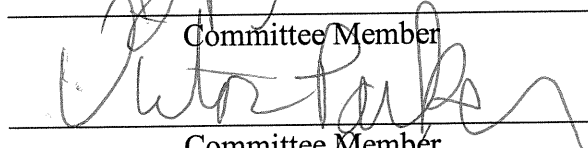
Thesis Committee:



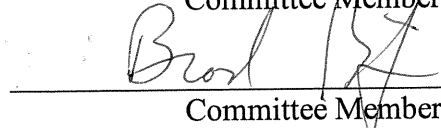
Thesis Chair




Committee Member



Committee Member



Committee Member



Honors Program Director

Acknowledgements

Thank you to Dr. Murdock for chairing my committee and guiding me throughout this process. Thank you to Dr. Parker, Dr. Potter, and Dr. Bailey for assisting me in my research and providing your expertise. Thank you to Dr. Smith for providing me with this research opportunity. Finally, thank you to my family and friends for supporting me these past 4 years.

Introduction

Payday lending is a form of short term credit that charges a per dollar fee for borrowing and is most commonly used by credit constrained individuals (Huckstep 2007). The first payday loan location opened in 1993 (Gallmeyer and Roberts, 2009). It has grown in popularity since its introduction in the 1990s and is currently one of the fastest growing consumer finance products (Caskey, 2001). There are more payday lending locations in the United States than McDonalds and Starbucks combined which is over lending 50,000 locations (Zinman, 2010). To take out a payday loan a borrower demonstrates proof of employment such as a paystub and proof that they have a checking account (Caskey, 2001). Payday lenders rarely run a formal credit check (Morse, 2011). The borrower writes a post-dated check for the loan amount plus fees (Huckstep, 2007). This post-dated check serves as collateral. The loan is typically due on the borrower's next payday (Huckstep, 2007). The goal of this study is to determine if there is a relationship between the legality of payday lending and the poverty outcomes in a state.

Relevant Literature

The existing literature on payday loans focuses on predation, consumer welfare, substitutes and pricing, and regulation.

Financial predation is targeting those who are susceptible to payday loans and that lack an education or viable alternatives. Gallmeyer and Roberts, (2009) use spatial analysis to determine where payday lenders tend to cluster. Their research finds that moderately impoverished communities have the highest concentrations of payday lenders. Lenders are more likely to be in lower-income and moderate poverty neighborhoods with higher percentages of minorities, immigrants, young adults, elderly, military personnel and members of non-management or nonprofessional careers. Gallmeyer and Roberts argue that payday lender

locations are indicative of community economic distress. Disney and Gathergood (2014) gauge financial literacy as a variable of payday lending. They find that people with lower financial literacy are more likely to have a portfolio of debt with a higher APR (2014). Another finding of this study is that typically, these borrowers are unaware that they are financially illiterate. Consistent with Gallmeyer and Roberts (2009) they find that households with lower income, lower percentages of home ownership, lower levels of education, lower levels of employment and higher percentages of unemployment are more likely to perform poorly on a financial literacy test. Canann and Evans (2014) find that lenders are in areas with lower median ages, larger numbers of unmarried households, and higher quantities of fast food restaurants (2014). These location studies are very consistent in their conclusion that younger people and lower income recipients are more likely to live near a payday lender. These consumers are particularly susceptible to the payday lending solution.

A related line of research focuses on whether payday loans cause further harm to the borrower. Results regarding the trade-offs between costs and benefits of these loans are mixed. Some previous studies find that the net effect of payday borrowing includes declines in job performance, elevated bankruptcy, difficulty paying bills, and other adverse conditions while others find an increase in job retention, smoothing financial shocks and that restricting access leads to use of higher cost alternatives (Bhutta, 2014; Skiba and Tobacman, 2011; Carrell and Zinman, 2013; Melzer 2011). Zinman (2010) proposes that economic principles would lead one to believe that the growth of the industry was indicative of a service that adds value. The author points out the expanding consumer access to credit is also considered to be a financial development strategy. Morse (2011) uses natural disasters as an indicator of financial distress and then compares whether access to payday lending negatively affects outcomes. The author

finds that access to payday lenders result in a favorable outcome to borrowers facing financial distress. He also finds that payday lender access decreases small property crime after a natural disaster. Bhutta (2014) also studies the effect of payday loans on consumer financial health and finds little proof that payday loans substantially affect credit scores or cause other debt management crises. Desai and Ellihausen (2017) study the effects of payday lending bans on consumer credit delinquencies and find that access to payday lenders cannot induce significant financial distress in the forms of bankruptcy, unemployment or foreclosures. On the contrary, they find that in Georgia, where an outright ban has existed, delinquencies increased in the period after the ban. In a study on Oregon's regulation of payday lending, Zinman (2014) finds that respondents were more likely to suffer financially following the elimination of lenders (2010), and finds that lack of access to payday lenders prevented productive investment and consumption smoothing.

In a study focused on members of the United States Air Force, Carrell and Zinman (2014), find that payday loans can be detrimental to the airmen's financial health and job performance in the Air Force. Access to payday loans may be responsible for lower job performance and readiness, may increase the likelihood that an airman is ineligible to reenlist, and correlates with a decline in actual reenlistment. These results are more disturbing since it appears that military members are three times more likely to take out a payday loan than civilians (Gallmeyer and Roberts 2009). These findings are consistent with the Department of Defense beliefs that "Predatory lending undermines military readiness, harms the morale of troops and their families, and adds to the cost of fielding an all-volunteer fighting force."¹ According to

¹ United States Government., Department of Defense. (2006). Report on Predatory Lending Practices Directed at Members of the Armed Forces and Their Dependents. Washington DC: Department of Defense.

Carrell and Zinman (2014), younger airmen seem to be the most vulnerable to the effects of these loans especially those in nonfinance occupations. This is consistent with other studies that find younger people, in general to be more vulnerable to payday lending (Canaan and Evans, 2014; Gallmeyer and Roberts, 2009).

The debt trap is commonly brought up in the discussion of payday lending effects on consumer welfare and used as a justification for regulating the industry. The term “debt trap” refers to a cycle of rollovers and renewals that prevent borrowers from being able to pay off their loan and leave them in more debt as a result than as a consequence of spending. It also means the burden of fees would negatively affect the borrowers ability to make payments on other forms of debt (Desai and Elliehausen, 2017). Most consumers are unable to pay the loan off in the first period (Huckstep, 2007). A borrower pays a rollover fee in cash to push back the due date of the loan or rollover the balance. A borrower could also go to a different payday loan location and borrow to pay off the loan. This creates a debt cycle. To prevent the debt trap legislatures place limits on renewals, intervals between loans, caps on loans per year, installment payment plans requirements and rate caps (Desai and Elliehausen, 2017).

Alternatives to payday loans do exist in several forms most commonly bank overdraft. Many payday borrowers cite not bouncing checks as a benefit of payday lending (Melzer and Morgan, 2015). Melzer and Morgan (2015) study the competition between payday lenders and overdraft credit from banks. The authors point out that in 2007 depository institutions earned an estimated \$23 billion from overdraft fees, while 8 to 9 billion were paid in interest on \$50 billion of payday loans. The authors argue that since qualifications to use these types of credit are similar, they should be treated as substitutes. Banks extend overdraft credit based on algorithms. It is a flat fee with little to no price discrimination and it makes up 43% of non-interest income.

Melzer and Morgan (2015) conclude that banks and payday lender compete not in pricing but in risk profile and size of loans. Some counter-intuitive findings regarding the relationship between these two forms of personal short-term lending include, the banks' increase of their overdraft protection in response to the presence of payday lenders, and a lower the cost of overdraft credit in states with lending prohibitions (Melzer and Morgan, 2015).

There are other alternatives to payday lending available but these alternatives are not considered direct substitutes. The absence of payday lenders causes delinquencies in bills payments and as a result late fees (Zinman, 2010). As an alternative to a payday loan a borrower could pawn a personal possession for a loan assuming they have an item of value (Huckstep, 2007). Title pawns are also an option but present a real threat of property loss (Huckstep, 2007). Consumers could also charge expenses to credit cards but access to credit cards requires a relatively clean credit history (Huckstep, 2007), which is not characteristic of the typical payday borrower. In summary, these alternatives can be high cost or unavailable to the typical payday borrower. While borrowing from family members seems like a viable alternative, most individuals refuse to do so due to the stress and potential for humiliation (Huckstep, 2007). Payday loans, on the other hand, appear to provide a satisfactory credit option to otherwise constrained borrowers.

The annualized rates for payday loans feature APRs as high as 400 % (Gallmeyer and Roberts, 2009). These high costs are often cited by legislators and opponents to the industry. Huckstep (2007) investigates if these high prices lead to equally high profits. The author concludes that, in comparison to other lending agencies payday lender profits are lower, about half of mainstream lenders. He observes that the industry justifies high rates by the value of the service provided, high operating of offering and administering payday loans and high default

rates on these loans. A study by Canann and Evans (2014) finds that rates are set based on local risk factors proxied by local default rates and competition. Consumers do not make their decisions based on rates or price but on convenience (Huckstep, 2007).

Consumer decision making is also affected by cognitive bias and the way in which the relevant information is disclosed (Morse and Bertrand, 2011). Cognitive bias influences the way people think and make decisions. In the case of payday lending, it is any thought pattern that would result in making an irrational borrowing decision. In a randomized field study Morse and Bertrand (2011) study the methods of disclosure before payday loans are disbursed to identify possibilities for such cognitive bias. They use three styles of disclosures: an APR comparison with other forms of credit, the dollar amount of fees associated with the loan as the loan is renewed, and refinancing information which provides the repayment data for the typical payday loan borrower. Borrowers were also provided with a savings plan. It is common for lending regulations to mandate that the APR be listed on financial forms. However, their disclosure expands on that with comparison data on other consumer credit rates. This study finds that cognitive bias and other limitations have a significant effect on loan decisions. All three disclosure styles reduce loan usage and dollar amount borrowed.

The regulation of payday lending seeks to remedy any negative outcomes associated with these loans. Regulation varies from state to state with one major exclusion, the Military Lending Act (Zinman 2014). The Military Lending Act protects servicemen and their families from APRs above 36%. Zinman observes that currently at least 13 states have some degree restrictions on payday lending. North Carolina and Georgia have come the closest to eliminating payday lending (Gallmeyer and Roberts, 2009). Researchers expect that number to grow as public dissatisfaction with the rates also increase (Zinman, 2010), (Huckstep, 2007). In the study of the

Oregon rate cap, which effectively shut down payday lending, Zinman finds that while the use of short-term credit decreased consumers shifted to alternatives. A study by Desai and Elliehausen (2017), designed to build on Zinman's 2010 study finds that legislation had little effect on credit delinquencies. That study also finds that in Georgia there were increased revolving credit delinquencies following the ban.

Existing literature on payday lending could be expanded upon by investigating legislation in states of varying degrees of regulation and the effect it has on financial wellbeing of the state. The goal of this research would be to determine what effect if any these laws have on state's average financial health of their citizens. Our Research design relies on state-level aggregate economic data and legal environments of various states for comparison.

Proof of High Annual Percentage Rate

Using averages provided by the Pew Charitable Trusts I will calculate the APR for several different venues of payday loans. The periodic rate of a payday loan is calculated by dividing the fee by the principle. To arrive at the annual rate, the periodic is then multiplied by 365 and divided by the term of the loan, 14 days. The average loan is \$375 for a term of two weeks. If that loan is originated in a payday lending store the average fee is \$55. This constitutes a 382.38% APR. If the borrower receives their loan online, she will pay a fee of \$95 and that makes the APR 660.48 %. If the borrower goes to his or her bank for the loan the fee is \$35. That is an APR of 243.33%.

Table 1. A sample of annualized rates charged on payday loans at different venue types.

Venue	Principal (\$)	Fee (\$)	Year Convention in days	Term of the loan (days)	APR (%)
Store Location	375	55	365	14	382.381
Online	375	95	365	14	660.4762

Bank	375	35	365	14	243.3333
------	-----	----	-----	----	----------

Recent Legislation

On October 5, 2017 the Consumer Financial Protection Bureau finalized their rule to prevent debt traps caused by payday lending. Payday lenders are now required to determine upfront if the borrower has the means to repay the loan (Consumer Financial Protection Bureau, 2017). Borrowers must now pass a full payment test for all payday and auto-title loans that exceed \$500 (CFPB, 2017). A lender can now only offer a new loan if one third of the previous loan has been repaid (CFPB, 2017). The risks of the loans must be explained in plain language to the borrower preempting the loan application and decision (CFPB, 2017). Further protection is provided to the borrower by granting them the right to dispute any unauthorized or erroneous attempts to remove money from their account (CFPB, 2017). The Consumer Financial Protection Bureau requires that a lender provide written notice that the collection of debt is imminent and that lenders stop after 2 bounces (2017).

Methods

This study aims to determine if limiting access to credit by restricting payday lenders will negatively affects consumers. I hypothesize based on previous literature that payday loans offer a valuable service to credit constrained borrowers, and therefore states with restrictions will have more negative financial outcomes for consumers, specifically in the United States. The alternative hypothesis states that because payday lending is predatory, stronger anti-payday legislation will have better financial outcomes. Financial distress is proxied by wages, unemployment rates, home ownership rates, and mortgage delinquency rates. I collect this data from the US Department of Labor, Bureau of Labor Statistics, US Census, and Consumer Financial Protection Bureau respectively.

I begin by identifying the legal status of payday lending in the 50 states. There are many methods used by states designed to limit the pervasiveness of payday lending. Though this study only considers whether the payday loans are allowed in any form or are completely prohibited, I include the summary of various degrees of restrictions imposed by different states.

I use non-parametric measures to analyze the legality of payday lending and their effect on financial outcomes. Nonparametric measures make fewer assumptions about the population and therefore are useful in quantifying the results of an environment. Nonparametric tests are also a desirable tool for the smaller sample size used in this study. The financial outcomes, my dependent variables, considered will be state average weekly wages, unemployment rates, homeownership rates, mortgage delinquency rates for 30 and 90 days. These are commonly used measures of overall consumer financial health. This study will use weekly wage, 30 and 90-day mortgage delinquency rates and unemployment rates as measures of financial distress. 0 indicates that payday lending is legal in a state and 1 indicates that payday lending is illegal.

In addition, I use a logistic regression analysis in this study to confirm or reject the relationship between the legality of payday loans and the effect on financial outcomes. In the logistic regression the dependent variables are 0 or 1 and the independent variable is continuous. I use this regression coupled with the non-parametric measures to measure the effects on payday lending legality.

Data Analysis

I start with the analysis of the relationship between payday loan legality and average weekly wages. Using a Wilcoxon rank sum test with continuity correction to analyze the relationship I find that the mean weekly wage in states where payday lending is illegal is \$1006.13 as compared to \$928.21 in the states where they are legal. This test also produces a p value of less than .0001 indicating a high level of statistical significance for using legality of payday lending as a predictor of wage. As pictured in Figure 1, the results of this test indicate higher wages in states where payday lending is illegal.

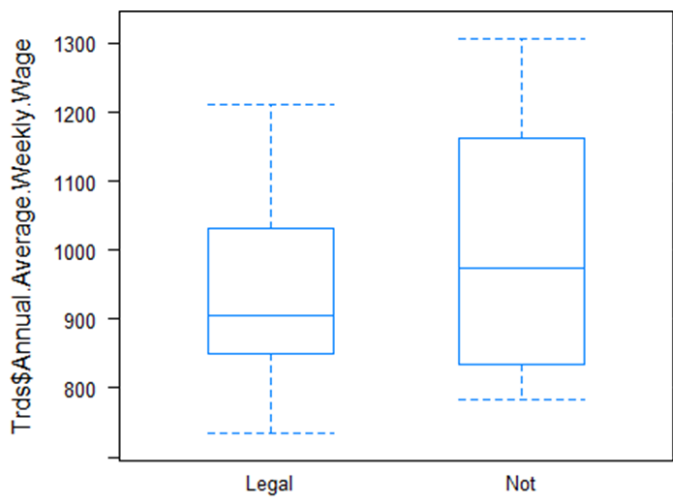


Figure 1

While I establish the difference between the average weekly pay in the states where payday loans are allowed and those where payday loans are prohibited, the causality of this result is unclear.

On one hand it is possible that states with higher average weekly wages do not have the need for payday loans. On the other hand, this could indicate that legality is a predictor of average weekly wage. To test for this relationship, I reverse the function so that wage is the independent variable and that legality is the dependent variable. Using a logistic regression, I find that there may be a relationship between higher average annual wage and the state making the practice illegal. The regression is shown in Figure 2 and has a p value of .08.

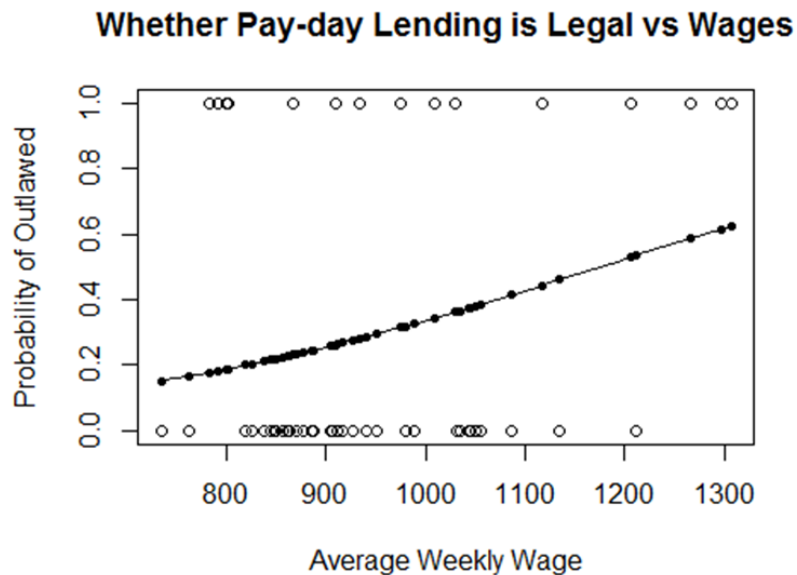


Figure 2

Next, I examine the relationship between the legal status of the payday loans and Home Ownership Rate per State over 4 years from 2014 to 2017. Home ownership rates are the number of houses owned in a state divided by the total number of houses. This excludes properties that are rented. When using a Welch Two Sample t-test there is no indication of statistical significance of a relationship between homeownership and legality of payday lending with a p

value of 0.8435. Using the same sample, a Wilcoxon rank sum test again finds no statistical significance with a p value of 0.744. As seen in Figure 3 the ranges for both legal and illegal are similar. Payday lending being illegal is not an accurate predictor of homeownership rates.

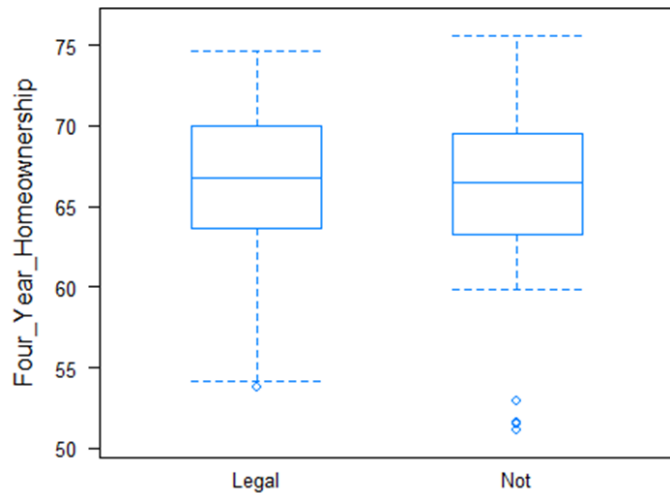


Figure 3

My next analysis is designed to examine the effect of unemployment on whether or not payday lending is legal in that state or not. The mean unemployment rate for states with payday lending is 4.25% and 4.23% for those without using a Welch two sample t-test. The p value is 0.928 which does not indicate statistical significance of this relationship. There is little to effect on unemployment rates as a direct result of payday lending availability.

Finally I focus on mortgage delinquency rates as a proxy of financial distress and their association with the legal status payday lending. I consider two stages of delinquency: past due for 90 days and past due for 30 days. Comparison of 90-day delinquency rates between the states allowing and prohibiting payday lending reveals lower delinquency rates for the states that allow this type of credit. According to the Consumer Financial Protection Bureau, average 90-day mortgage delinquency rates are 1.52% in states with payday lending as compared to 1.79% in states where it is illegal. Using a Welch two sample t-test, I find that this difference is statistically significant with a p-value of 0.0353. A Wilcoxon rank sum

test on the same date confirms the statistical significance of the difference in the mean 90-day delinquencies (p-value of 0.0407) Figure 4 illustrates that the mean delinquencies for states where payday lending is legal is lower than the mean delinquencies where payday loans are prohibited. The results of a wilcoxon rank and sum test are similar for the differences in 30 day mortgage delinquency rates (p-value of 0.0372) The Welch two sample t-test yields a p value of 0.1239. These findings indicate that in states where payday lending is illegal there are larger percentages of homeowners who are 30 or 90 days past due on their mortgage. When the dependency of variables is flipped as shown in Figure 5 the percentage of homeowners 90 days delinquent on their mortgage is a statistically significant predictor of whether payday lending is legal in that state. This logistic regression has a p value of 0.028.

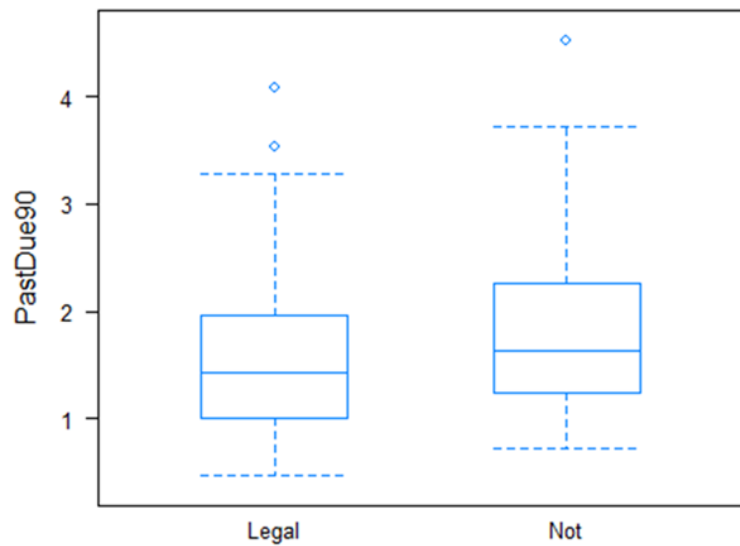


Figure 4

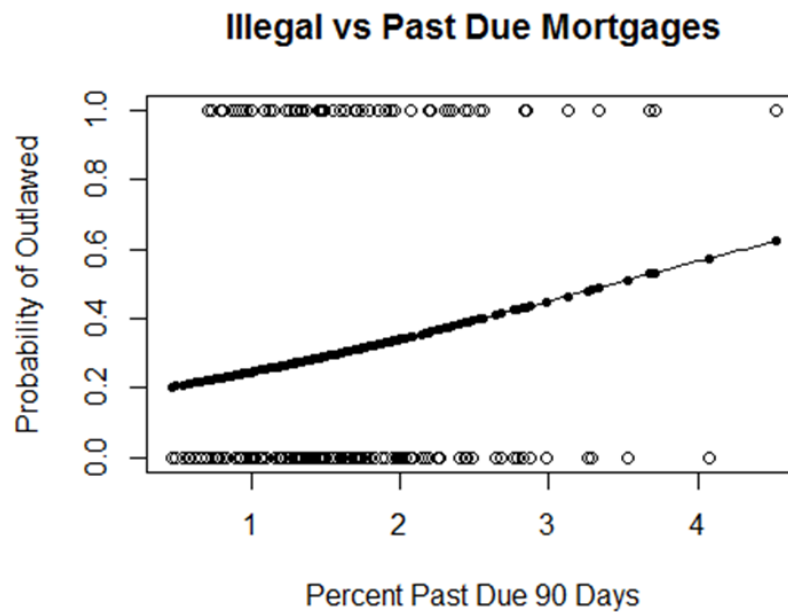


Figure 5

Conclusion

This study finds that states without payday lending have higher average weekly wages. There is no statistically significant relationship between payday lending legality and homeownership or unemployment. There is statistical evidence that in states with payday lending access mortgage delinquency rates, both 30 and 90 days past due are lower. This could indicate that providing credit access through payday loans helps mitigate financial shocks. This would be in line with the findings by Morse in his 2011 study.

The data used in this study has limitations because it uses state wide metrics rather than individual consumer data on use of payday lending or financial wellbeing or distress. Larger data sets and higher analytics were outside of the scope of this study.

Future studies can use multiple variables to rank the legality and limitations placed on

payday lending by state regulators. Using those rankings these studies could compare the legal environment to financial factors like those utilized in this study. Future research could also examine the impact of the Consumers Financial Protection Bureau's most recent regulation of the industry.

References

- Bertrand, M., & Morse, A. (2009). Information Disclosure, Cognitive Biases and Payday Borrowing. *The Journal of Finance*, 66(6), 1865-1893. doi:10.2139/ssrn.1533012
- Bhutta, N. (2014). Payday Loans and Consumer Financial Health. *Journal of Banking and Finance*, 47, 230-242. doi:10.2139/ssrn.2357989
- Canann, T., & Evans, R. (2014). Determinates of Short-term Lender Location and Interest Rates. *Journal of Financial Services Research*, 235-262. Retrieved December 1, 2017.
- Carrell, S. E., & Zinman, J. (2014). In Harms Way? Payday Loan Access and Military Personnel Performance. *The Review of Financial Studies*, 27(9), 2805-2840.
- Caskey, J. P. (2001). Payday Lending . *Financial Counseling and Planning* , 12(2). Retrieved December 1, 2017.
- Desai, C. A., & Elliehausen, G. (2017). The effect of state bans of payday lending on consumer credit delinquencies. *The Quarterly Review of Economics and Finance*, 64, 94-107.
- Disney, R., & Gathergood, J. (2013). Financial literacy and consumer credit portfolios. *Journal of Banking & Finance*, 37(7), 2246-2254.
- Gallmeyer, A., & Roberts, W. T. (2009). Payday lenders and economically distressed communities: A spatial analysis of financial predation. *The Social Science Journal*, 46(3), 521-538.
- Huckstep, A. (2007). Payday lending: Do outrageous prices mean necessarily mean outrageous profits?.*Journal of Corporate and Financial Law*, 12(1), 203. Retrieved December 1, 2017.
- Melzer, B. T., & Morgan, D. P. (2015). Competition in a consumer loan market: Payday loans and overdraft credit. *Journal of Financial Intermediation*, 24(1), 25-44.

Morse, A. (2011). Payday lending- Hero or Villian? *Journal of Financial Economics*, (102), 28-44. Retrieved December 1, 2017.

United States Government., Consumer Financial Protection Bureau. (2017). Final Rule on Payday, Vehicle Title and Certain High-Cost Installment Loans. Washington DC

United States Government., Department of Defense. (2006). Report on Predatory Lending Practices Directed at Members of the Armed Forces and Their Dependents. Washington DC: Department of Defense.

Zinman, J. (2010). Restricting Consumer Credit Access: Household Survey Evidence on Effects around the Oregon Rate Cap. *Journal of Banking and Finance*, 34, 546-556.

Appendix 1- State Laws

State	Legal Status	Max Amount	Term	Max Outstanding	Rollovers	Repayment	
Alabama	Legal	\$500	10-31 Days	not specified	1	yes	
Alaska	Legal	\$500	min 14 days	not specified	2	yes	
Arizona	Prohibited						
Arkansas	Prohibited						
California	Legal	\$255	max 31 days		1	0	yes
Colorado	Legal	\$500	6 months	No limit if total debt does not exceed \$500	30-days between loans	1	
Connecticut	Prohibited						
Delaware	Legal	\$1,000	less than 60	5 loans in 12 months		4	yes
Florida	Legal	\$500	7-31 Days		1	none	yes
Georgia	Prohibited						
Hawaii	Legal	\$600	Max 32 Days		1	none	
Idaho	Legal	\$1000/25% of gross monthly income	NA			3	yes
Illinois	Legal	Leser of \$1000 or 25% of gross monthly	13-180		2	none	yes
Indiana	Legal	\$550 not exceed 20% of gross monthly	Min. 14 Days	1 per lender, 2 total		none	yes
Iowa	Legal	\$500	max 31 days		2	none	
Kansas	Legal	\$500	7-30 Days	2, no more than 3 loans in 30 days		none	
Kentucky	Legal	\$500	14-60 days		2	none	
Louisiana	Legal	\$350	less than 60		not specified	none	yes
Maine	Legal (low cost)	30% per year on up to \$2,000					
Maryland	Prohibited						
Massachusetts	Prohibited						
Michigan	Legal	\$600	Max 31 days	2 only one with the same lender		none	yes
Minnesota	Legal	\$350	30 days		not specified	none	
Mississippi	Legal						
Missouri	Legal	500	14-31	no more than 500		6	
Montana	Prohibited						
Nebraska	Legal	\$500	34 max		2	none	
Nevada	Legal	25% gross monthly income	35 days			yes	yes
New Hampshire	Prohibited						
New Jersey	Prohibited						
New Mexico	Legal	\$2,500	35 days	fees capped at 25% of gross monthly income		none	yes
New York	Prohibited						
North Carolina	Prohibited						
North Dakota	Legal	\$500	60 days			1	
Ohio	Legal	\$500	31 days	one, four per year		none	yes
Oklahoma	Legal	\$500	12-45 days		2	none	yes
Oregon	Legal (low cost)	50,000 25% net monthly income	31-60 days			2	
Pennsylvania	Prohibited						
Rhode Island	Legal	\$500	13 days	3/\$500		one	
South Carolina	Legal	\$550	31 days		one	none	yes
South Dakota	Prohibited						
Tennessee	Legal	\$425	31 days		3	none	
Texas	Legal		180 days				
Utah	Legal		10 weeks				yes
Vermont	Prohibited						
Virginia	Legal	\$500	2 pay periods		one	none	yes
Washington	Legal	\$700 or 30% gross monthly income	45 days	8 loans in 12 months		none	yes
West Virginia	Prohibited						
Wisconsin	Legal	lesser of \$1500 or 35% of gross monthly	90 days		none	one	yes
Wyoming	Legal		month			none	yes

Appendix 2- State Data

State	Average Weekly Wage	Unemployment		Mortgage Delinquency 90 days				Mortgage Delinquency 30 days				Home Ownership Rates			
		Rate 2016	Rate 2017	2014 AV	2015 AV	2016 AV	2017 AV	2014 AV	2015 AV	2016 AV	2017 AV	2016 AV	2015 AV	2014 AV	
Alabama	\$ 862.00	6.3	3.5	2.25833	1.83333	1.525	1.3	3.56667	3.30833	3.225	3.36667	3.4	69.6	70.0	72.1
Alaska	\$ 1,031.00	6.6	7.3	1	0.79167	0.625	0.46667	1.60833	1.46667	1.49167	1.56667	1.5	65.2	62.3	64.9
Arizona	\$ 933.00	5	4.5	1.36667	1.15	0.95	0.8	1.99167	1.83333	1.83333	1.8	1.9	61.9	61.7	63.5
Arkansas	\$ 799.00	3.9	3.7	2.325	1.74167	1.35	1.33333	3.13333	2.9	2.79167	2.9	2.9	67.6	67.1	65.5
California	\$ 1,211.00	5.2	4.3	1.49167	1.06667	0.775	0.66667	1.675	1.50833	1.41667	1.33333	1.5	53.8	54.3	54.2
Colorado	\$ 1,051.00	3	3.1	1.1	0.79167	0.59167	0.5	1.48333	1.31667	1.29167	1.26667	1.3	62.4	63.6	65.0
Connecticut	\$ 1,267.00	4.4	4.6	2.85	2.53333	1.96667	1.63333	2.575	2.48333	2.375	2.4	2.5	64.2	66.5	67.4
Delaware	\$ 1,034.00	4.3	4.6	3.26667	2.68333	2.19167	1.8	2.80833	2.575	2.55833	2.5	2.6	73.0	73.3	74.3
Florida	\$ 905.00	4.9	3.7	4.08333	2.825	1.875	1.5	2.49167	2.3	2.16667	2.13333	2.3	64.4	64.8	64.9
Georgia	\$ 975.00	5.5	4.4	2.46667	1.9	1.475	1.3	3.25833	3.00833	2.84167	2.83333	3.0	62.3	62.9	63.0
Hawaii	\$ 927.00	2.9	2	2.14167	1.60833	1.21667	1	1.35833	1.20833	1.11667	1.1	1.2	57.7	59.3	58.5
Idaho	\$ 762.00	3.6	2.9	1.29167	0.975	0.73333	0.66667	1.89167	1.75833	1.85	1.83333	1.8	70.6	70.0	69.6
Illinois	\$ 1,086.00	5.7	4.8	2.48333	2.03333	1.53333	1.3	2.25	2.05833	1.96667	1.96667	2.1	65.3	65.4	66.4
Indiana	\$ 857.00	4	3.4	2.08333	1.70833	1.375	1.2	2.91667	2.60833	2.50833	2.46667	2.6	70.9	69.4	70.1
Iowa	\$ 864.00	3.5	2.8	1.41667	1.18333	0.93333	1	1.93333	1.7	1.69167	1.7	1.8	70.0	68.9	69.4
Kansas	\$ 849.00	4.3	3.4	1.575	1.29167	1.08333	0.9	2.24167	1.975	1.84167	1.86667	2.0	67.1	64.9	64.7
Kentucky	\$ 848.00	4.8	4.4	2.04167	1.75	1.55	1.36667	2.71667	2.475	2.41667	2.53333	2.5	68.0	67.9	67.6
Louisiana	\$ 877.00	6	4.6	2.45	2.075	2.01667	2	3.9	3.76667	3.69167	3.8	3.8	64.2	63.4	65.3
Maine	\$ 819.00	3.8	3	2.875	2.76667	1.99167	1.73333	2.60833	2.6	2.38333	2.26667	2.5	72.7	70.0	71.0
Maryland	\$ 1,117.00	4.2	4	3.34167	2.53333	1.94167	1.7	2.74167	2.56667	2.44167	2.43333	2.5	66.6	67.1	66.2
Massachusetts	\$ 1,297.00	3.1	3.5	2.44167	2.075	1.46667	1.23333	2.16667	2.00833	1.86667	1.83333	2.0	59.8	60.5	63.0
Michigan	\$ 980.00	5.1	4.7	1.76667	1.33333	0.975	0.83333	2.54167	2.30833	2.13333	2.16667	2.3	72.8	74.6	73.9
Minnesota	\$ 1,044.00	4	3.1	1.20833	0.93333	0.74167	0.7	1.65	1.48333	1.40833	1.43333	1.5	72.5	70.2	71.4
Mississippi	\$ 734.00	5.5	4.6	3.28333	2.83333	2.40833	2.26667	5.19167	4.9	4.71667	4.73333	4.9	69.8	70.7	73.2
Missouri	\$ 887.00	4.4	3.5	1.9	1.46667	1.16667	1	2.70833	2.45833	2.31667	2.33333	2.5	66.7	68.6	70.5
Montana	\$ 783.00	4	4.1	1.09167	0.91667	0.80833	0.9	1.68333	1.54167	1.70833	1.56667	1.6	67.1	66.4	66.9
Nebraska	\$ 838.00	3.3	2.7	1.10833	0.91667	0.81667	0.7	1.79167	1.58333	1.45833	1.36667	1.6	68.0	68.2	66.8
Nevada	\$ 906.00	5.1	5	3.53333	2.64167	1.725	1.26667	1.90833	1.69167	1.625	1.53333	1.7	54.6	54.8	55.9
New Hampshire	\$ 1,030.00	2.7	2.6	1.45	1.30833	1	0.86667	2.45	2.06667	1.84167	1.83333	2.0	71.9	71.7	72.2
New Jersey	\$ 1,207.00	4.7	5	4.525	3.71667	2.84167	2.3	2.44167	2.31667	2.23333	2.23333	2.3	62.2	64.0	65.2
New Mexico	\$ 819.00	6.7	6	2.175	1.99167	1.71667	1.6	2.51667	2.375	2.35	2.36667	2.4	67.3	66.5	66.3
New York	\$ 1,307.00	4.8	4.6	3.68333	3.125	2.35	1.96667	2.58333	2.375	2.25833	2.23333	2.4	51.6	51.5	52.9
North Carolina	\$ 909.00	5.2	4.5	2.20833	1.85	1.49167	1.46667	3.19167	2.875	2.75	2.73333	2.9	65.8	65.2	66.4
North Dakota	\$ 940.00	3	2.6	0.74167	0.58333	0.55	0.66667	1.09167	1.14167	1.30833	1.3	1.2	61.5	61.8	64.6
Ohio	\$ 917.00	5	4.7	2.16667	1.75	1.425	1.23333	2.59167	2.43333	2.31667	2.36667	2.4	66.1	66.5	67.4
Oklahoma	\$ 844.00	4.8	4.1	1.95	1.60833	1.6	1.53333	2.875	2.59167	2.9	3	2.8	66.8	67.5	69.3
Oregon	\$ 951.00	4.5	4.1	1.95	1.45833	1.01667	0.76667	1.31667	1.19167	1.06667	1.13333	1.2	62.6	61.1	62.9
Pennsylvania	\$ 1,009.00	5.4	4.7	2.55833	2.19167	1.8	1.63333	3.16667	2.925	2.85	2.86667	3.0	68.5	69.6	69.7
Rhode Island	\$ 989.00	4.9	4.4	2.98333	2.79167	1.98333	1.7	2.79167	2.49167	2.325	2.33333	2.5	56.3	58.9	61.9
South Carolina	\$ 825.00	4.3	4.1	2.44167	2.08333	1.83333	1.66667	3.46667	3.26667	3.2	3.16667	3.3	68.9	67.1	73.0
South Dakota	\$ 792.00	2.9	3.5	0.96667	0.80833	0.71667	0.73333	1.51667	1.41667	1.54167	1.66667	1.5	69.5	70.2	69.2
Tennessee	\$ 912.00	5.1	3.2	2.075	1.64167	1.33333	1.16667	3.33333	3.04167	2.83333	2.8	3.0	66.5	66.6	66.8
Texas	\$ 1,045.00	4.8	3.9	1.90833	1.65	1.31667	1.23333	3.31667	3.1	2.95833	3.03333	3.1	61.5	61.9	62.2
Utah	\$ 870.00	3.2	3.1	1.34167	0.99167	0.81667	0.66667	1.825	1.775	1.7	1.6	1.7	71.3	69.9	70.9
Vermont	\$ 866.00	3.2	2.8	1.55833	1.34167	1.25833	1.13333	1.90833	1.96667	1.63333	1.46667	1.7	71.4	71.9	73.5
Virginia	\$ 1,055.00	4.1	3.7	1.61667	1.39167	1.06667	1	2.275	2.125	2.01667	1.96667	2.1	66.3	67.1	68.7
Washington	\$ 1,135.00	5.1	4.5	2.00833	1.40833	0.96667	0.73333	1.38333	1.2	1.075	1.03333	1.2	61.6	62.6	63.6
West Virginia	\$ 801.00	5.8	5.5	1.79167	1.63333	1.70833	1.6	3.775	3.38333	3.625	3.56667	3.6	74.7	75.0	75.6
Wisconsin	\$ 885.00	4.1	3	1.30833	1.03333	0.80833	0.73333	1.69167	1.43333	1.4	1.4	1.5	67.7	66.6	67.8
Wyoming		4.8	4.2	0.98333	0.95	0.94167	0.93333	2.2	2.175	2.30833	2.26667	2.2	70.2	70.0	70.8