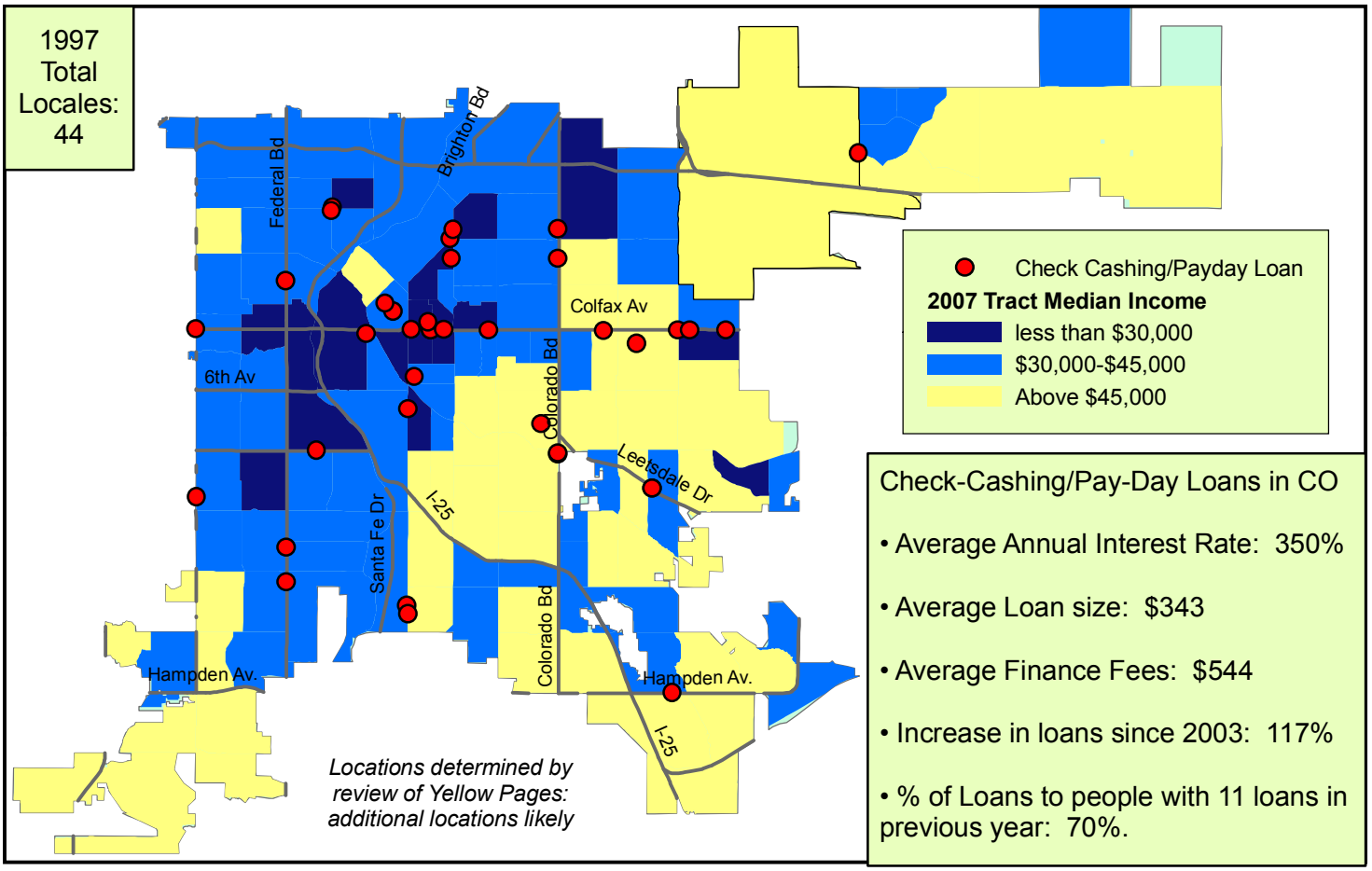
Check-Cashing/Pay-Day Loan Locations Grow in Low-Income Areas (1997-2007)

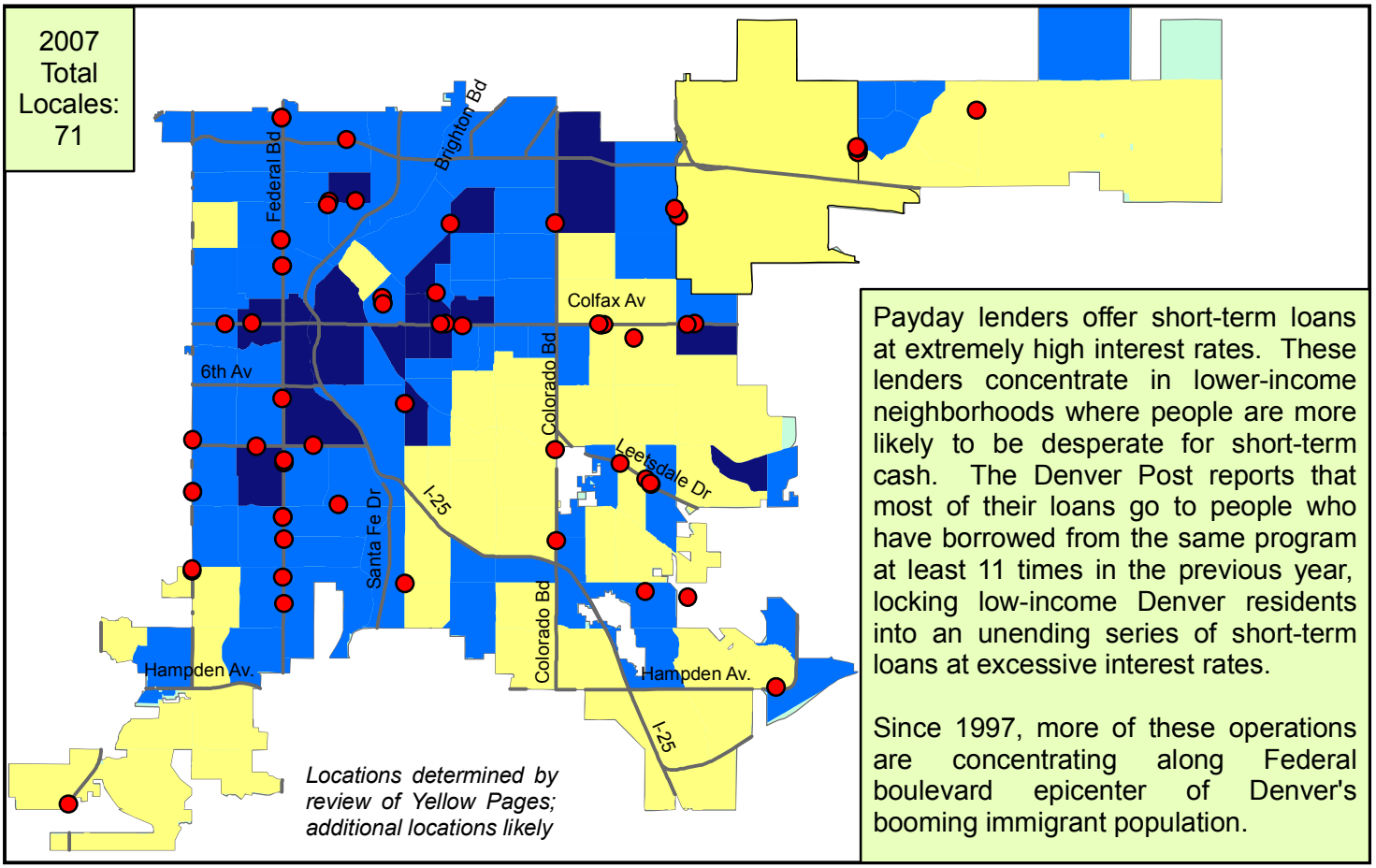
1997 Total Locales: 44



Check-Cashing/Pay-Day Loans in CO

- Average Annual Interest Rate: 350%
- Average Loan size: $343
- Average Finance Fees: $544
- Increase in loans since 2003: 117%
- % of Loans to people with 11 loans in previous year: 70%.

2007 Total Locales: 71



Payday lenders offer short-term loans at extremely high interest rates. These lenders concentrate in lower-income neighborhoods where people are more likely to be desperate for short-term cash. The Denver Post reports that most of their loans go to people who have borrowed from the same program at least 11 times in the previous year, locking low-income Denver residents into an unending series of short-term loans at excessive interest rates.

Since 1997, more of these operations are concentrating along Federal boulevard epicenter of Denver's booming immigrant population.

Sources: For complete sources, see online Atlas document at www.fresc.org