

Questions to ask your Pawnbroker.

Pawnshops can be one of the easiest and fastest ways to get quick loans without any credit. But, make sure you are dealing with a reputable lender. Before you hand over your jewelry, here are some tips that will help protect you.

What is my interest rate? It is important to understand the interest rate on your loan because even throughout NYC these rates can fluctuate significantly. Pawn shops across Manhattan, Queens, Brooklyn and the Bronx charge the highest interest rate allowed by New York State law; 4% monthly and 48% annually, while Provident Loan charges close to half of that.

What are my total fees? Many people only worry about the interest rate when taking out a loan through a pawn shop and forget about additional fees. The most common additional fees are ticket fees and storage fees. Other fees worth asking about are lost ticket fees or lost receipt fees. Just simply asking about these additional fees could save you hundreds of dollars.

If I borrow money for 1 day, 1 week or 1 month what are my interest charges? You will receive your item back from the broker once your loan is repaid. Loans are due before the deadline set by the broker, which is typically four months. The loan must be repaid in full along with the additional fees. Most pawnbrokers charge a minimum of 1 months interest, where as Provident Loan calculates interest by the day so you only pay for the days you use.

Can my interest rate increase over time, and if so, when? Some lenders will offer a lower introductory rate when first making the loan, which can eventually increase to 48% (the maximum allowable interest rate for New York State). Provident Loan's interest rate will never increase from 26% for the term of the loan.*

Where will my valuables be stored? It is important to know where your valuables are being stored because you don't want to risk their loss or damage. Make sure the pawn shop you are working with takes care of your items.

Will you take a look at my appraisal? Having an appraisal (issued by the Gemological Institute of America, The American Gemological Society, Tiffany's, etc.) will give you an advantage when dealing with pawn shops because it can provide great information on your valuables.

Will I get notifications? This is an important question to ask because many people often forget to make a payment or even forget when to pick up their item. You will know if you are dealing with a quality pawn shop if they send notifications out of courtesy for their customer.

PRINT THE NEXT PAGE & BRING IT WITH YOU FOR EASY COMPARISON.



What is my interest rate?		
	Commercial Pawnbroker	Provident Loan Society
Annual Interest Rate		26%
Monthly Interest Rate		2.166%
What are my total fees?		
	Commercial Pawnbroker	Provident Loan Society
Ticket Fee		\$4 on loans up to \$99 \$7 on all other loans.
Storage Fee		2% of the loan \$50 MAX
Handling Fee		\$0
Other Fees		\$0
If I borrow money for 1 day, 1 week or 1 month what are my interest charges?		
	Commercial Pawnbroker	Provident Loan Society
Month		2.166%
Week		0.5%
Day		0.071%
Can my interest rate increase over time, and if so, when?		
Initial Interest Rate Applies for...	Commercial Pawnbroker	Provident Loan Society
1 month		26% annually
2 months		26% annually
3 months		26% annually
4 months		26% annually
5 months		26% annually
6 months		26% annually
Default Rate*		48% annually
Where will my valuables be stored?		
	Commercial Pawnbroker	Provident Loan Society
Display Case		No
Safe		No
Vault		Yes
Will you take a look at my appraisal?		
	Commercial Pawnbroker	Provident Loan Society
		Yes.
Will I get notifications?		
	Commercial Pawnbroker	Provident Loan Society
1 st Notice		30 days before due date.
2 nd Notice		15 days before due date.
3 rd Notice		At least 30 days before loan goes to auction.