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[VeteransPlus.org](http://VeteransPlus.org)  
[YellowRibbonCompass.org](http://YellowRibbonCompass.org)

## Predatory Lending



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## What Is Predatory Lending?



Predatory lending is defined as intentionally placing consumers in loan products with significantly worse terms and/or higher costs than loans offered to similarly qualified consumers in the region for the primary purpose of enriching the originator and with little or no regard for the costs to the consumer.

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## Who Do Predatory Lenders Target ?



- Those who are desperate for help
- Military and Veteran families
- Poor people
- Minorities
- Single mothers
- People with low credit scores.
- Elderly
- People uneducated about finances

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## What does Predatory Look Like ?



- Bargain loans:
- No credit-No problem loans
- Big fees for the loan\
- Payoff fees
- Extremely high interest
- Pay-Day Loans
- "Hard Money" loans

### Ask Yourself:

- Does this loan make sense to me?
- Do fully understand this loan?

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## Pay-Day Loan Practices



- Triple Digit Interest Rate
- Short Minimum Loan Term
- Single Balloon Payment
- Borrowing from multiple lenders
- No knowledge of borrowers ability to pay
- Deferred check mechanism
- Mandatory arbitration case
- No restrictions

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## Do's & Don'ts



- Do's

1. Read the fine print
2. Ask questions
3. Shop around
4. Know cancellation terms
5. Research of your own beforehand

- Don'ts

1. Sign something you don't understand
2. Let someone pressure you to paying more
3. Sign a blank document
4. Misrepresent your financial health

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Leverage You



- Research: The Military Predatory Lending Act  
[ConsumerFinance.gov](http://ConsumerFinance.gov)
- Use a short term loan as a LAST RESORT.
- Contact VeteransPlus when you have questions

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serving those  
**WHO SERVED US**  
VETERANS PLUS INC.



### Summary:

The key to financial success begins with you spending less than you earn and saving the difference. Be sure to track you spending and have your savings set up automatically.

It is a fact that people with written goals are more likely to succeed than those without.

When you build your plan after gathering data, analyzing your situation and getting good advice, the most important thing is to review your progress frequently.

The key here is progress in your financial fitness so stay the course!



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