

Produced by

Council of Wilmington



Delaware &
Eastern Maryland

Call your local Catholic church for the
Society of St. Vincent dePaul nearest you

Vincentians are united in an International Society of charity by their spirit of poverty, humility, and sharing, which is nourished by prayer and reflection, mutually supportive gatherings, and adherence to a basic Rule.

www.svdpusa.org
www.responsiblelending.org

March 2012 L.B. PaydayLoanAlternatives.doc

DON'T THROW YOUR MONEY



TO THE SHARKS!

In Delaware, “pay day” loans can have interest rates as high as **565%**, with mandatory minimum fees and very costly consequences for late repayment or delinquency.

When it gets difficult to balance your household budget, or you have unexpected expenses – as we all do occasionally, or your recent expenses have outgrown your income, **there are alternatives** to entering what can become a vicious cycle of predatory lending: A cycle with dire financial and emotional consequences.



ALTERNATIVES TO PAYDAY LOANS

QUESTIONS TO ASK YOURSELF...

1. What expenses can I really cut back on?
2. Do I keep my thermostat no higher than 68 in the winter and no lower than 75 in the summer?
3. Am I spending my grocery money wisely?
4. Could I save by doing things myself, rather than paying someone else to do it? [i.e. cutting the grass, hair/nails, etc...]
5. Is there something I can do without for 6 months? [i.e. cable, cell phone, movie rentals, internet, etc...]
6. Can I borrow from a family member or friend?
7. Should I take an additional job, or find a better paying job?
8. How can I use my vehicle less to save on gas?

“If I don’t have \$200 today, will I really be able to re-pay \$240 next week?”

Start a Savings Account when you do have extra money – for those ‘rainy days’

Borrow from a friend or family, with a timeline for payback

Apply for a home equity loan or other small loan at a bank or credit union

Sell unused jewelry and other items

Visit your local State Service Center to seek assistance with utilities (LIHEAP), food stamps (SNAP), & emergency housing assistance (TANF)

Seek additional employment

Contact a non-governmental organization (NGO), such as: The Society of St. Vincent dePaul, Catholic Charities, First State Community Action, The Red Cross, The Latin-American Community Center, The Salvation Army, a local church, or even ask your local school counselor for referrals

Ask if you can work out a special payment plan with your debtors (a little extra each month to get caught up)

Often, family members will help with car or appliance repairs, and even heating oil. In emergencies, different agencies can help with utilities, mortgage, & food. Please don’t wait until the debt is so high that it is difficult to get assistance: ask now!