$ $ $ MONEY TIP $ $ $ Six Rules of Lending Money to Family and Friends

By Carey Denman

When I married my husband, he owed a small amount of money to his parents, which therefore became our debt to repay. He'd borrowed the money to pay for summer college classes and books, a legitimate need, but he had never made a definitive plan to repay what he owed.

Over the course of several years, his parents never explicitly asked us to repay the money, but the topic would often come up when they were with us, almost always in a joking manner. Still, the debt hung over us, sometimes becoming an unspoken source of discomfort and friction between us.

We ultimately resolved to repay the debt in full with a small windfall we received. It was the sweetest feeling to watch my husband sign the check, seal the envelope, and drop that payment in the mail; it was as though we'd been released.

I learned firsthand how failing to have a specific plan to repay what we owed gnawed on us and negatively influenced our relationship with my husband's parents. Many a relationship has been harmed—and even destroyed—over unpaid debt. That's why borrowing money from family or friends should always be an option of last resort.

So what if someone should come to you, asking you for money? What questions should you ask, and what should you consider?

Consider the possibility that the money you lend may never be repaid. If this should happen, what would happen to your relationship? Would it be more appropriate to offer the money requested as a gift?

Ask how the money will be used. Borrowed money destined to pay off another debt often spells trouble. You may be just delaying the pain for a borrower who already has too many debts to repay or who has made poor spending decisions. In this case, you may opt to offer emotional support, rather than financial help. Or you may want to encourage your friend or family member to seek professional credit counseling.

Discuss all requests for financial help with your partner or spouse. Though you may feel comfortable lending money to family and friends, your partner may not feel the same way. If you can't agree on the loan and the terms of repayment, the final answer should be no.

Never depend on repayment of the loan to meet your own financial obligations. You won't be helping your friends or family if you're putting your own financial health in peril.

Devise a specific plan for repaying the money and put that plan into writing. The plan should usually include a monthly payment amount, rather than a promise of one lump sum.

Consider how the loan you give sets a future precedence. If you, for example, loan money to one of your children or to one set of parents, are you willing to do the same for the others? What if one child or parent is more responsible than the others? Will you still lend the money?

If the final answer is no, you can still find ways to come alongside friends or family in need, including offering childcare for someone who is looking for a job or buying a gift card to a local grocery store. You could also pay a friend or family member to complete a project, such as painting the house or landscaping the yard—this may be more helpful than a loan, since you won't be adding to a person's debt load.

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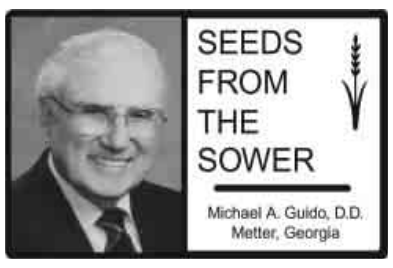
Shire Of Timberhavene Public Event

The Shire of Timberhavene, a Coos and Curry County branch of the Society for Creative Anachronism (SCA), will present a free public informational on the arts, sciences and martial arts from pre-17th century Europe on Saturday, October 3 from 4:00 to 8:00 PM in the gym at Oceancrest Elementary School, 1010 Allegany St. in Bandon.

The event will feature how to become a part of the local Renaissance/Middle Ages group in Coos and Curry Counties.

Families and children of all ages are welcome.

For more information, e-mail MadameDuPont@ymail.com. For more information on the Society for Creative Anachronism, visit www.scademo.com or www.sca.org.



A friend, while posing for a picture, saw a sign that read, "You get what you pay for."

"What does that mean?" he asked.

"A twenty-five-dollar picture is a 'Justice Picture'," said the photographer. "It's just as you are. The fifty-dollar picture is a 'Mercy Picture.' It makes you look better."

When the proofs came back, he said, "I needed mercy."

Don't we all!

We aren't so close to perfection that we can be spiritual policemen over the lives of others. Since we need mercy more than justice, let's dwell more on being merciful than on being judgmental.

The Bible says, "Blessed are the merciful, for they shall obtain mercy."

SENIOR SINGLES TO MEET: The South Coast Senior Singles lunch and meeting will be at Noon on October 10 at the Coach House Restaurant, 604 6th Ave. in Eastside. Non-members are welcome. Call 267-3443 for information.