

My friend turned out to be a loan shark

**Case study 1:**

An unemployed single dad of one started taking loans from someone he thought was a family friend to make ends meet after being refused credit elsewhere.He had lent to other family members and was well-known to all of them.

He said: “Records show I paid him £2,000 over and above the amount he lent to me. To think he made so much profit from me is disgusting. I feel angry at the amount he profited from me considering I have known him for a long time and he always portrayed himself as a friend of the family. To find out he has been robbing me blind, I find really upsetting.

“Even when I told him that I didn’t have the money to pay him he would still turn up at my door trying to collect and I would have to tell him I didn’t have the money for him as my child came first. Over the years I have had to go without many things as a result of making payments including Christmas presents, clothing and even food.

“We have been unable to ever go on holiday abroad, despite really wanting to. At Christmas and birthdays, I have had to budget and limit the presents I could get. It was absolute misery for me to try and pay him. It was horrible to have to hand over my last bit of money to him when I needed to top up the electric or gas or buy food. Now, money is now actually lasting longer and I am even contemplating booking a holiday for us next year for the first time. I would never go to an illegal money lender again, it was horrible.”

**Case study 2:**

Another case involved a 61-year-old woman with health issues. She had been borrowing from a loan shark for over 15 years having met through work and considered the lender to be a good friend who had helped her out. The alarm was raised when she tried to take out a legitimate loan to cover what she owed to the lender. She estimated she had borrowed in the region of £60,000 from the lender but had no way of knowing what she had paid back. She did say she knew that if she borrowed £1,000, she could have to pay back around £1,400. There were no explicit threats, but she did feel guilty when she was unable to pay, feeling as though she was letting her friend down. That’s why she sought to borrow elsewhere to cover her loan shark debt.