

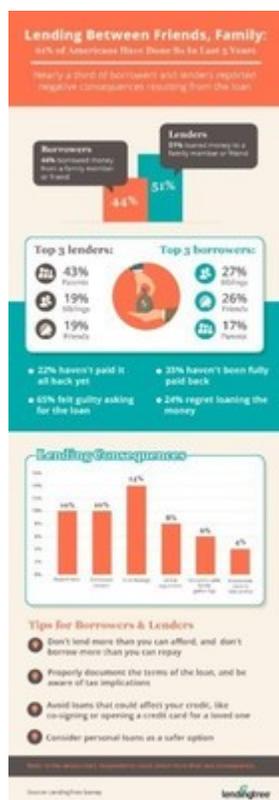


## Lending Between Family or Friends is Likely to Result in Guilt, Hurt Feelings, or Regret, LendingTree Survey Finds

November 13, 2019

**Nearly a third of borrowers and lenders reported negative consequences resulting from the loan**

CHARLOTTE, N.C., Nov. 13, 2019 /PRNewswire/ -- More than 60% of Americans have borrowed money from or lent money to friends and family in the last five years, according to [LendingTree's recent survey](#) of over 1,000 Americans. With 35% of those who have lent money nearly a third of borrowers and lenders reported negative consequences resulting from the loan, ranging from hurt feelings (14%) and resentment (10%) to irreparable harm to the relationship (4%).



### Key Findings

- **44% have borrowed money from a family member or friend in the last 5 years.** Parents (43%), siblings (19%) and friends (19%) were the most common lenders among respondents.
- **51% have loaned money to a family member or friend in the last 5 years.** Siblings (27%), friends (26%) and parents (17%) were the most common borrowers among respondents.
- 24% of family/friend lenders regret their decision to lend money in the first place.
  - More than one third have not been repaid
- **Nearly a third of borrowers and lenders reported negative consequences resulting from the loan:**
  - Hurt Feelings: 14%
  - Resentment: 10%
  - Decreased Contact: 10%
  - Verbal Arguments: 8%
  - Uncomfortable Family Gatherings: 6%
  - Irreparable Harm to Relationship: 4%
- **More than 1 in 5 borrowers (22%) have not yet paid back their family member or friend.** The costs of not paying back their loan could be adding up, as 11% said they were charged interest.
- **65% of borrowers felt guilty about asking their family member or friend for a loan.** Despite the guilt, 67% said they wouldn't hesitate about asking for another loan.

## Americans are more willing to lend and borrow from family than friends

A quarter of survey respondents said they would not give their friend a loan, while only 17% said the same for family members. When it comes to borrowing, the amount someone is willing to borrow increases when borrowing from a family member. For amounts more than \$20,000 they were more likely to request help from a family member than a friend.

Similarly, survey respondents were also more likely to lend larger amounts of money to family members. Respondents were twice as likely to be willing to lend an amount over \$20,000 to a family member than to a friend.

It is worth noting that millennials are the most likely generation to borrow money from and lend money to loved ones. Overall, 64% of millennials have lent money to friends/family in the past 5 years, and 59% have borrowed money from friends/family in the same time frame. Additionally, only 15% of millennials would not consider lending money to a friend, compared to 21% of Gen Xers and 38% of Baby Boomers who would not consider lending to a friend.

## Why Americans are borrowing and lending money to others

Needing to borrow money from a loved one is usually not something you expect to happen. But sometimes, it may be the most practical and affordable option for borrowing money. The following are just a few reasons why Americans are lending or borrowing money:

- Monthly Housing Costs (rent, mortgage)
  - Borrower: 22%
  - Lender: 21%
- Auto Expenses
  - Borrower: 14%
  - Lender: 16%
- Pay Off Debt
  - Borrower: 11%
  - Lender: 13%
- Child-Related Expenses
  - Borrower: 11%
  - Lender: 10%
- Medical Costs
  - Borrower 9%
  - Lender: 8%

Full survey findings and additional details can be found here: <https://www.lendingtree.com/personal/study-lending-between-family-friends/>

## Methodology

LendingTree commissioned Qualtrics to conduct an online survey of 1,022 Americans — 620 of whom borrowed and/or loaned money to a friend or family member within the last five years.

## About LendingTree

LendingTree (NASDAQ: TREE) is the nation's leading online marketplace that connects consumers with the choices they need to be confident in their financial decisions. LendingTree empowers consumers to shop for financial services the same way they would shop for airline tickets or hotel stays, comparing multiple offers from a nationwide network of over 500 partners in one simple search, and can choose the option that best fits their financial needs. Services include mortgage loans, mortgage refinances, auto loans, personal loans, business loans, student refinances, credit cards and more. Through the My LendingTree platform, consumers receive free credit scores, credit monitoring and recommendations to improve credit health. My LendingTree proactively compares consumers' credit accounts against offers on our network, and notifies consumers when there is an opportunity to save money. In short, LendingTree's purpose is to help simplify financial decisions for life's meaningful moments through choice, education and support. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information, go to [www.lendingtree.com](http://www.lendingtree.com), dial 800-555-TREE, like our Facebook page and/or follow us on Twitter @LendingTree.

## MEDIA CONTACT:

Megan Greuling

[Megan.greuling@lendingtree.com](mailto:Megan.greuling@lendingtree.com)

704-943-8208



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