



“Do you have debt?”

Survey carried out within international project

‘Think Twice, Debt is a Serious Issue’

DEBTLESS

2011-1-CZ-1-GRU06-07128 3

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About project:

Think Twice – Debt Is a Serious Issue! Is a Grundtvig partnership project – a small scale European cooperation project – focused on co-operation activities between six different organizations working in the field of adult education in the broadest sense. Countries represented are: Czech Republic, UK, Netherlands, Bulgaria, Italy, Lithuania and Slovenia.

The project was created in response to the current economic climate in which many individuals and families find themselves in debt.

Agreement number: 2011-1-CZ1-GRU06-07128

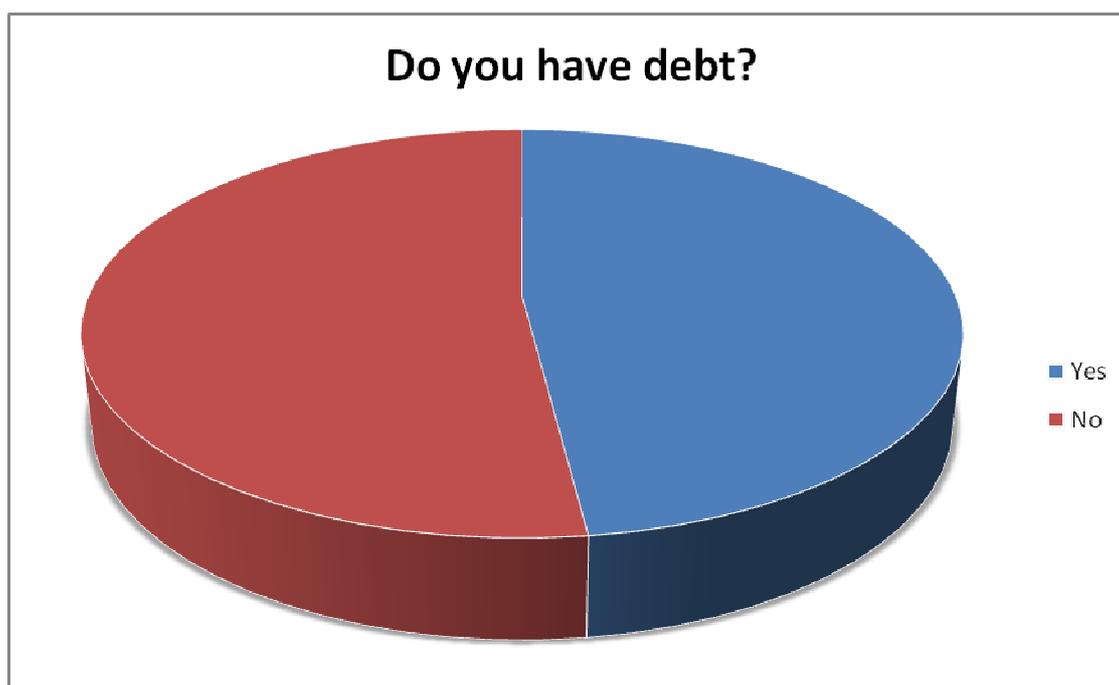
Internal reference number: GRP/11/204P

Results of the Survey

Target group of our survey were in most cases middle aged people between 45 and 55 years old, unemployed or retired. The group counts a total of 25 respondents.

- 15 questionnaires were collected by NEED e.e.i.g. (unemployed or layoffs people)
- 10 questionnaires were collected by ASPIC (retired people).

1. Do you have a debt/a loan?

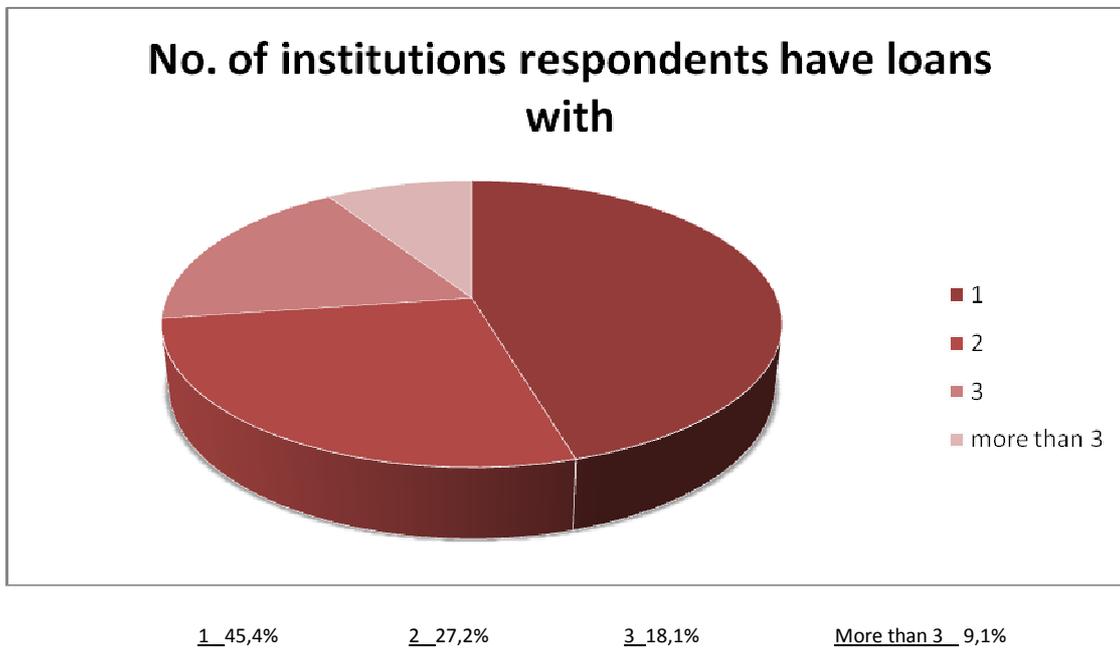


No 52%

Yes 48%



1. To how many institutions? (11 respondents)



2. To what kind of institution?

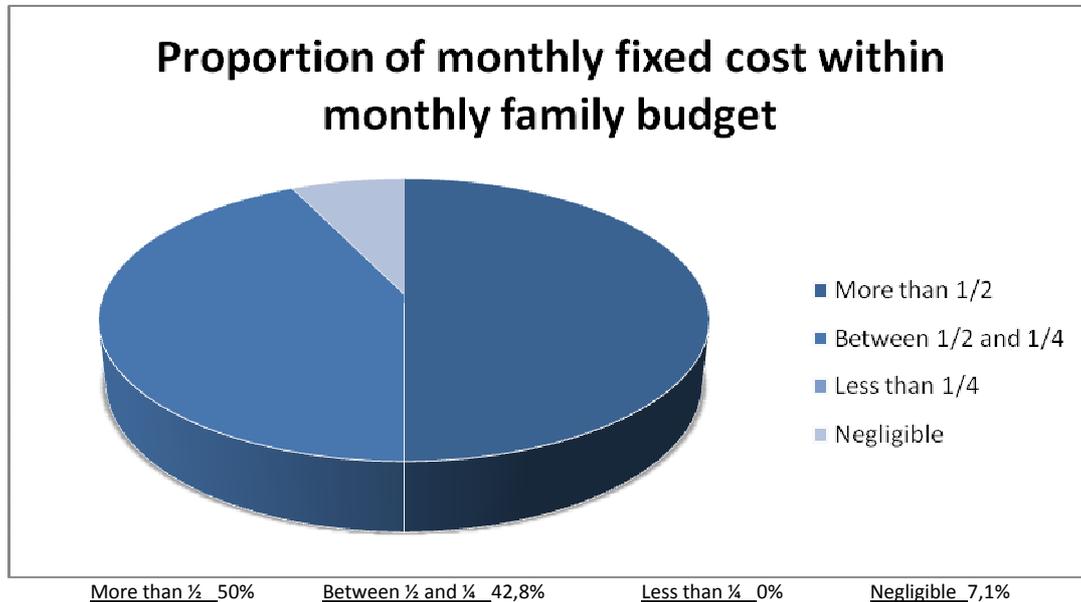
Most of the respondent have loans with banking institutions, fewer have loans with financial companies and other non banking institutions. One is in debt because he can't afford the cost of living and another one states having loans with all kinds of institutions.

3. Trust for easy loans

Most of the respondents do not trust agencies for instant credit, but a small part does, both for necessity and ignorance in financial matters.

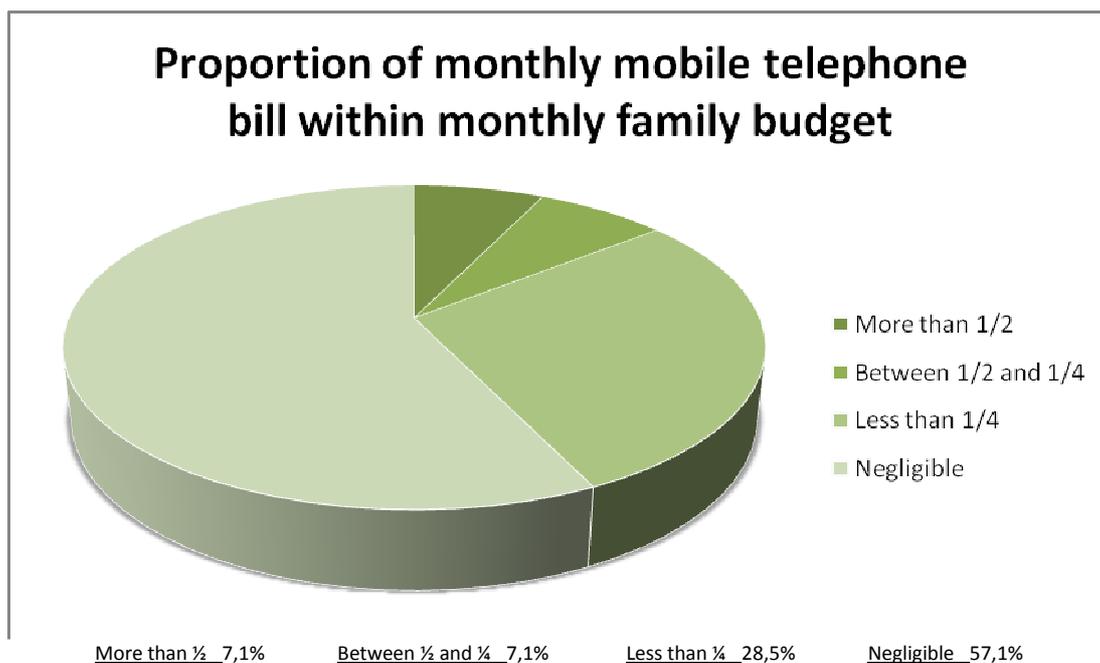


4. What part of the monthly budget of your family is your monthly fixed costs bill? (14 respondents)



More than half of the respondents' monthly fixed costs bill represent more than a half of the monthly family budget. Only one chose negligible.

5. What part of the monthly budget of your family is your monthly mobile telephone bill?



The monthly telephone bill generally does not exceed more than 1/4 of the monthly budget.

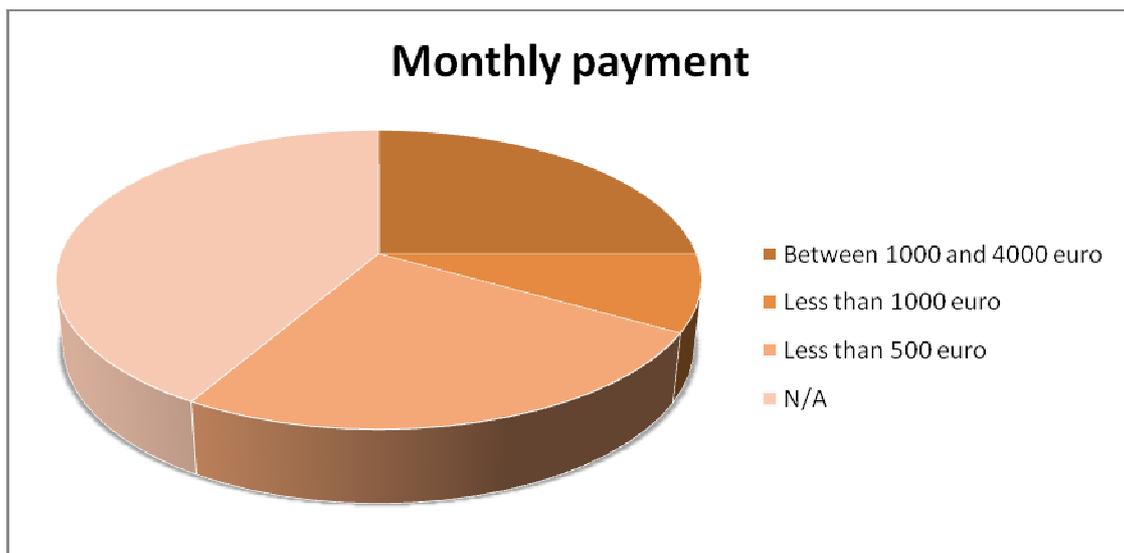


6. Do you manage to serve timely your loan?

9 respondents out of 12 are able to repay their debt, the 3 remaining are having problems (too many loans, unemployment etc.) and they can't always manage to pay debt installments in time.

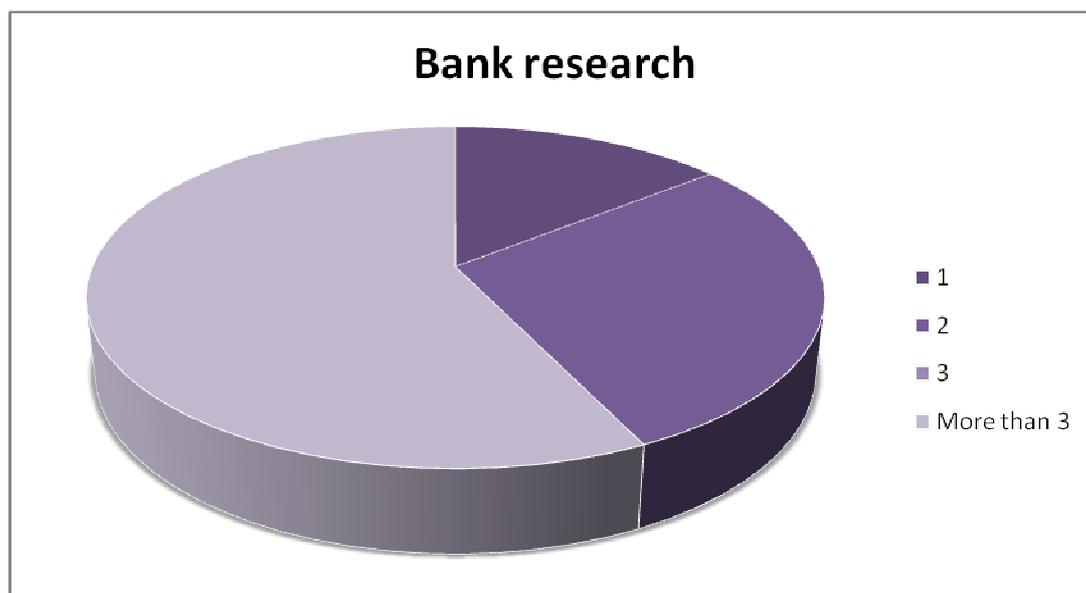
Credit from banking institutions (12 respondents)

7. What is your monthly payment?



Between 1000 and 4000 euro 25% Less than 1000 euro 8,3% Less than 500 euro 25% N/A 41,6%

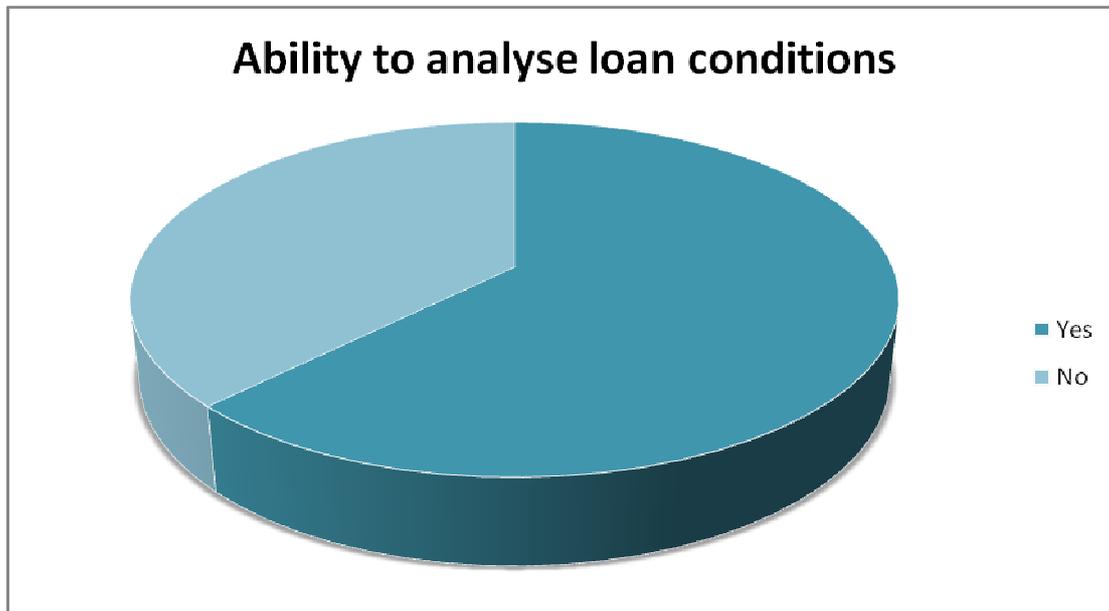
8. How many banks did you research before choosing from which one to get your credit?



1 14,2% 2 28,5% 3 0% More than 3 57,1%



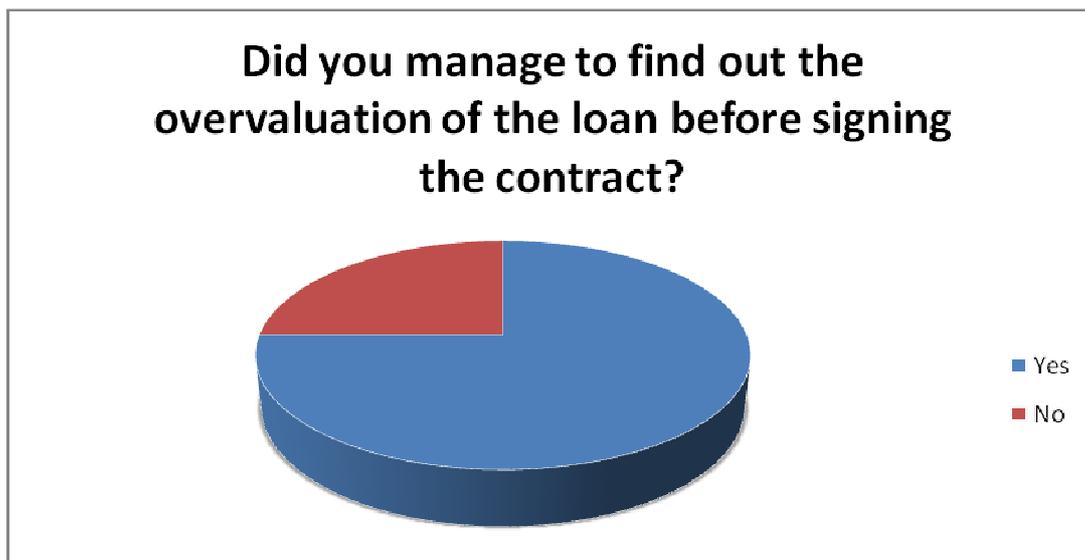
9. If you visited more than one bank, did you manage to compare by yourself the terms of credits by the different banks?



Yes 62,5%

No 37,5%

10. Did you manage to find out the overvaluation of the loan before signing the contract with the bank?

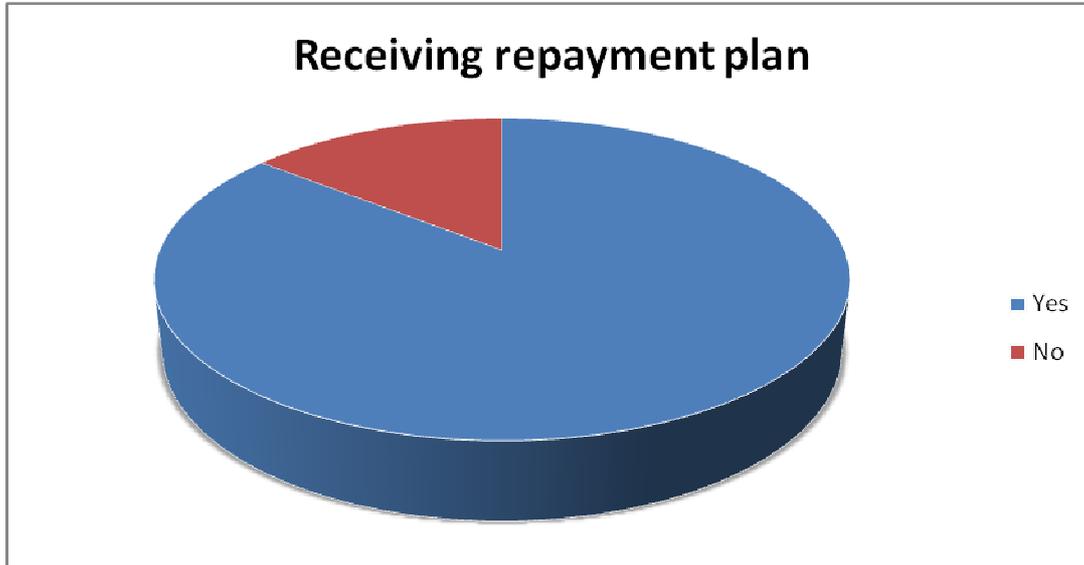


Yes 75%

No 25%

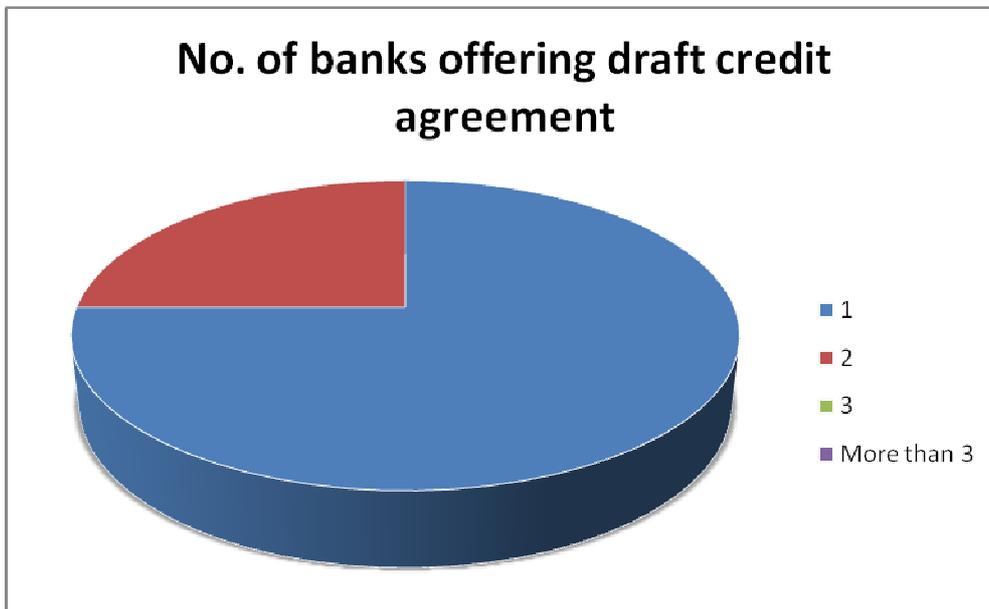


11. Did you receive repayment plan with granting the loan?



Yes 85,7% No 14,3%

12. How many banks offered you a draft credit agreement before taking the final decision on this?



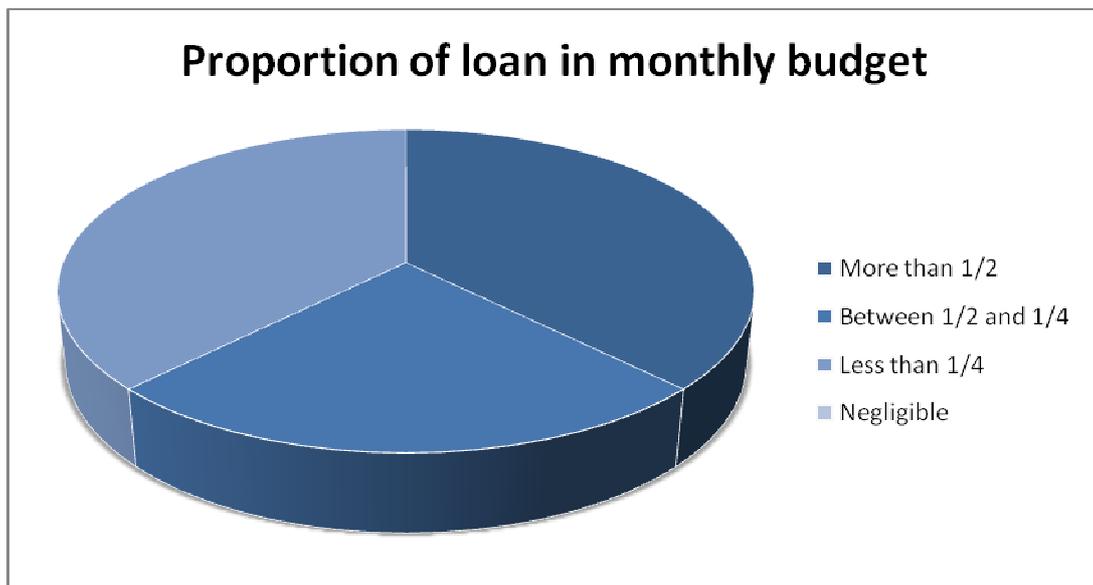
1 75% 2 25% 3 0% More than 3 0%



13. Which clause of the credit agreement between you and the bank, did you find in consequence the most disadvantageous for you (describe)?

Only one answered, describing as disadvantageous a clause about a possible early repayment.

14. What part of the monthly budget of your family is your monthly credit payment?



More than 1/2 37,5%

Between 1/2 and 1/4 25%

Less than 1/4 37,5%

Negligible 0%

15. What is your repayment period of this loan?

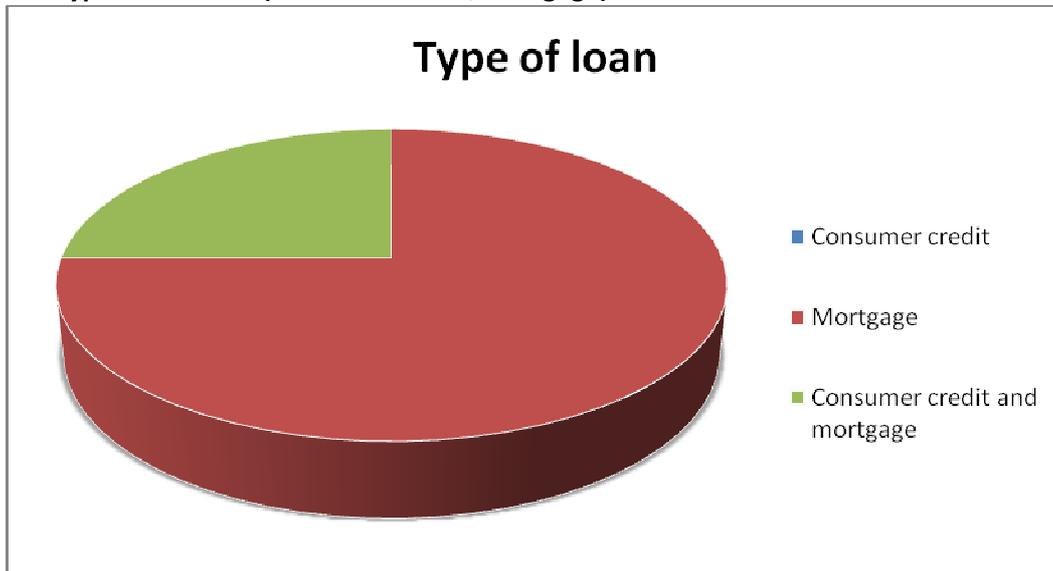
Respondents have repayment periods of 30, 20, 15 and 10 years.

16. What is the credit intended for?

In most cases the credit is intended to buy a new house, rarely to buy a new car or to renovate the house.



17. What type of loan is it (consumer credit/mortgage)?



Consumer credit 0% Mortgage 75% Consumer credit and mortgage 25%

18. Do you manage to serve this loan?

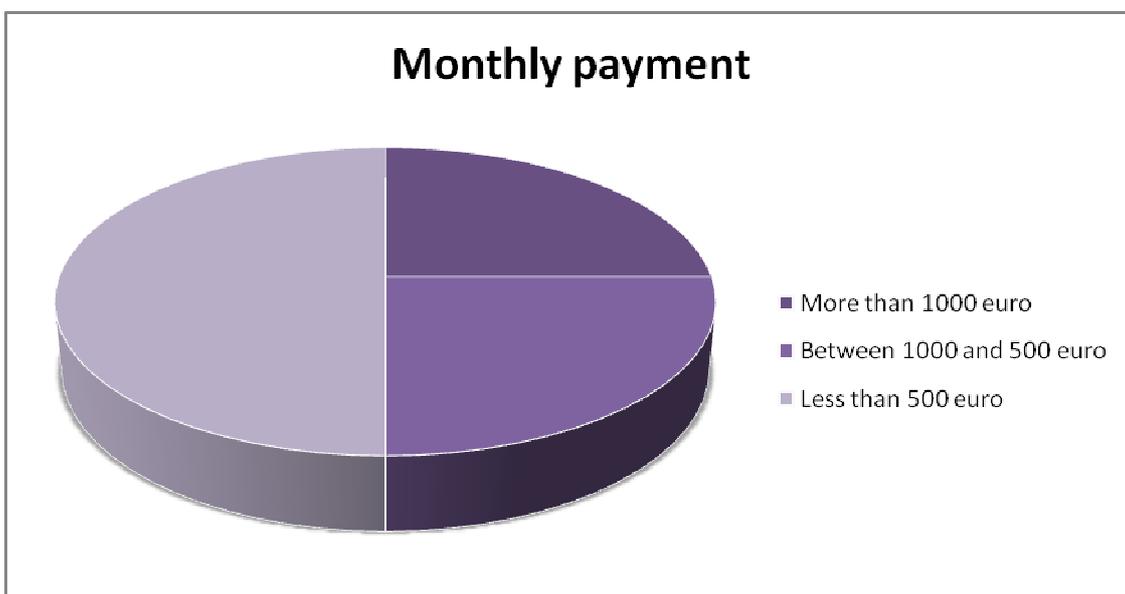
5 answered 'yes', 2 answered 'no'. The rest did not answer.

19. If you answered 'no' the previous question, would you accept help to manage your finances?

One of them would accept help in financial matters. The other one did not answer.

Credit from non banking institutions (4 respondents)

20. What is your monthly payment?





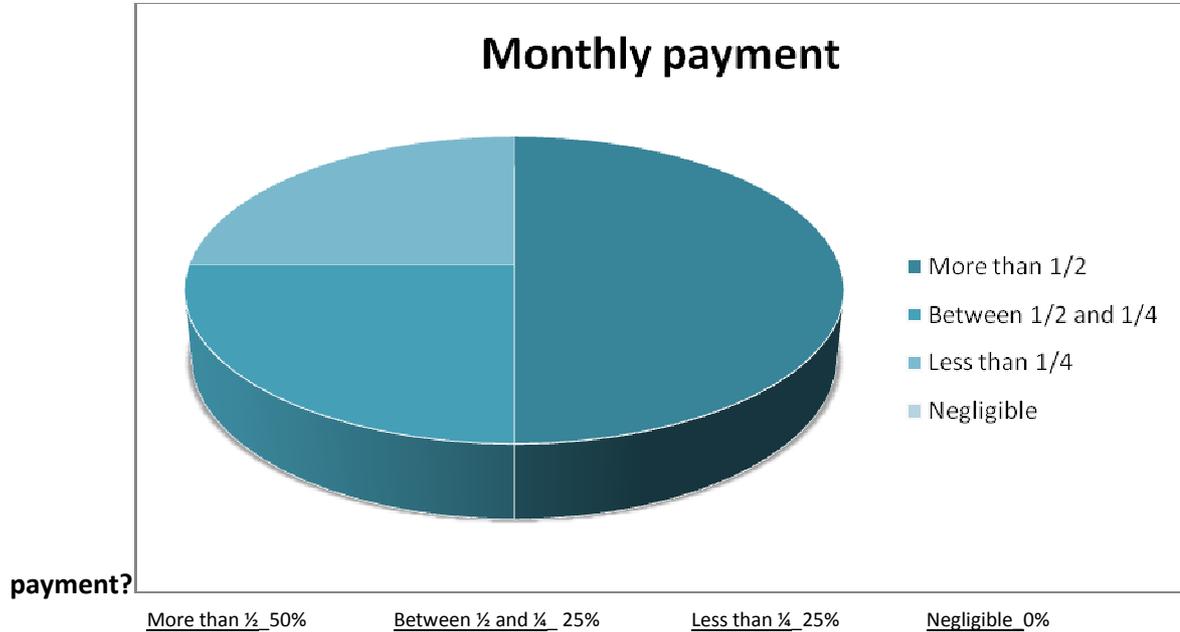
More than 1000 euro 25%

Between 1000 and 500 euro 25%

Less than 500 euro 50%

Most respondents did not answer the question

21. What part of the monthly budget of your family is your monthly credit



22. What is your repayment period of this loan?

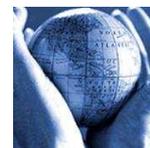
One says 5 years, one says 3 years, one says 2 years.

23. Do you manage to serve this loan?

2 says yes, 2 says no

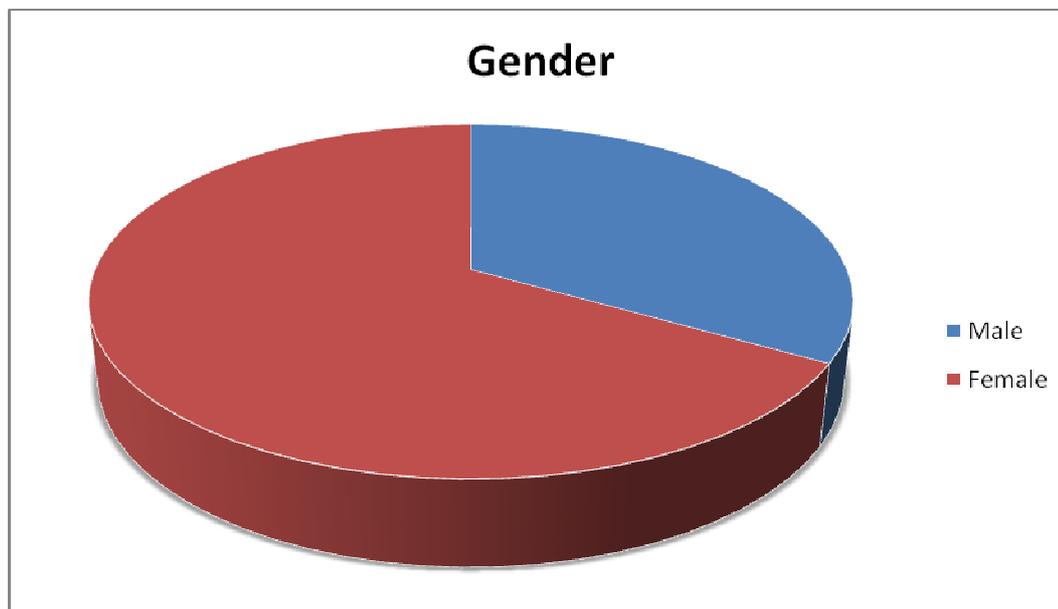
24. If you answered 'no' the previous question, would you accept help to manage your finances?

Both of them says yes.



Personal details of respondents

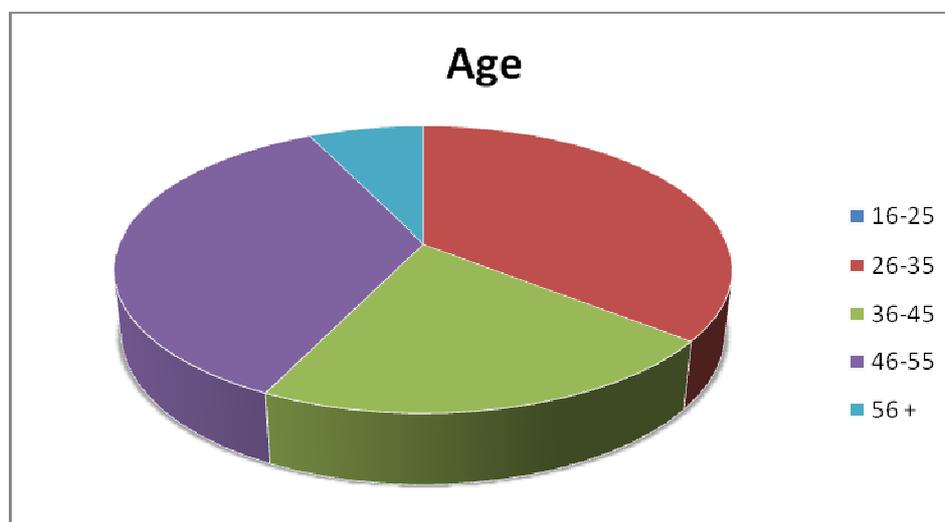
25. Gender



Male 33,3%

Female 66,6%

26. Age



16-25 0%

26-35 35,7%

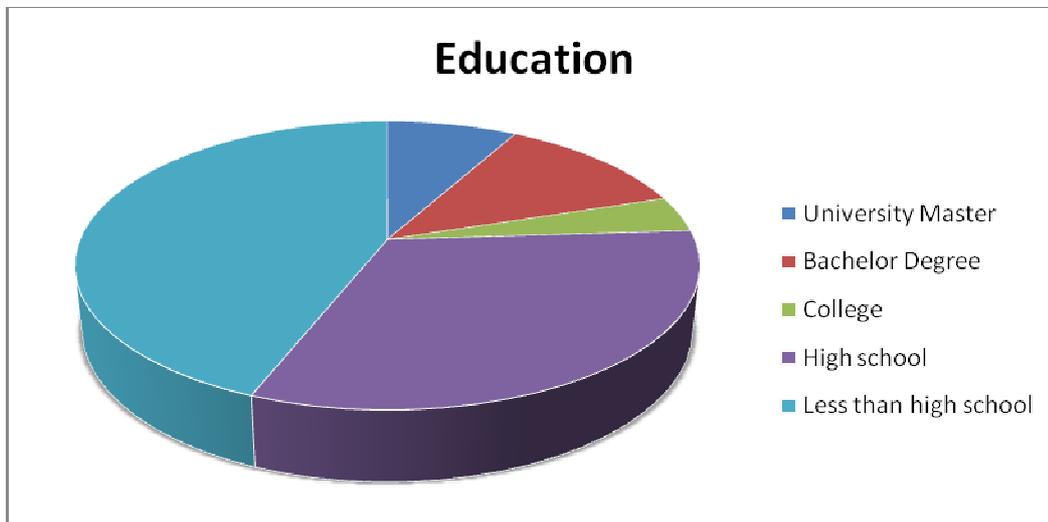
36-45 21,4%

46-55 35,7%

56+ 7,1%

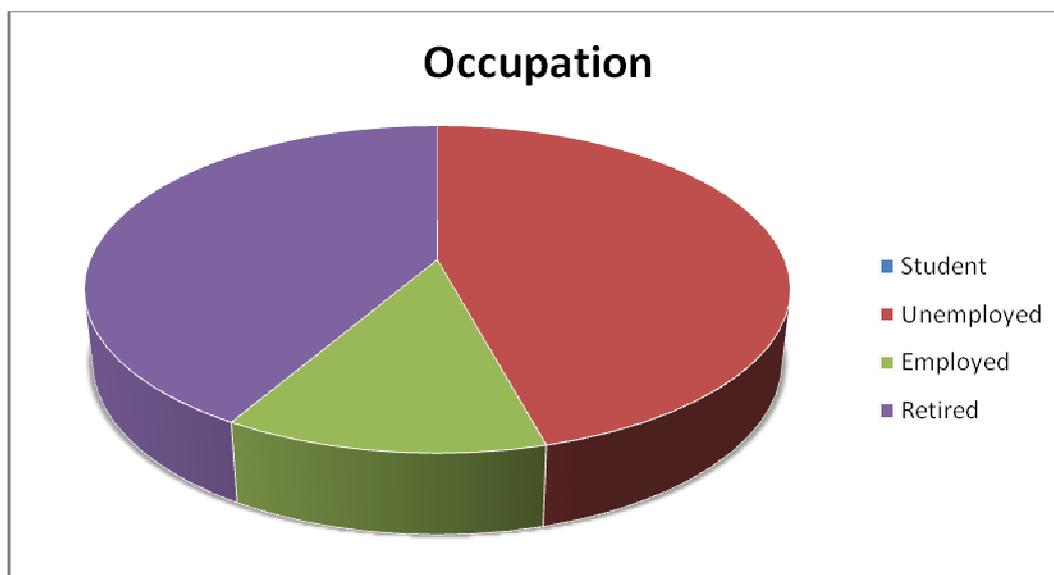


27. Education



University Master 8% - Bachelor Degree 12% - College 4% - High School 32% - Less than High School 44%

28. Occupation



Student 0% Unemployed 45,8% Employed 12,5% Retired 41,6%

Summary

The results of our survey show some significant figures. In case of our target group we found out:

- 1- People between 45 and 55 are more likely to have loans, generally mortgage.
- 2- Education and gender seems to have a certain influence on economical aspects; most of the ones in debt are women with a very low level of education (less than high school), but these aren't determinants.
- 3- Occupation is very important : almost all of the respondents are either unemployed or retired, only one is employed and other two are employed but as layoffs (*cassaintegrati*).



- 4- Loans with short repayment periods are usually consumer credits while long-term loans are mortgages.
- 5- Monthly loan repayment represent in almost half of the cases more than half of the monthly family budget.
- 6- A small part of our respondents (2) states not being able to serve its loans. The others manage to repay their debts and more than half respondents has no debt at all.
- 7- Six of the respondents have debts with more than one institutions and most of the ones with loans researched different banks before choosing the one to borrow money at.

Florence, 26/06/2012