

EFFECTS OF 2008 FINANCIAL MELTDOWN ON BORROWERS OF MICRO-FINANCING OUTLETS

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The effects of the financial meltdown of 2008 have been felt worldwide. This study specifically examines the effects of the financial crisis on borrowers of micro-financing outlets. Micro-financing data examined in this study presented that home-owners had much higher levels of reliability across all loan types compared to non-owners. However, this study found evidence that during the financial meltdown, home-ownership transformed into a liability rather than a credit source. Moreover, home-ownership is becoming a reliable source of credit post-crisis, confirming the recovery reported by other sectors of the economy.