

## ***Borrowing: Synonyms***

Borrowers receive money at the start. Borrowing is equivalent to selling a debt contract.

To remember that a borrower sells debt, just think about how a borrower receives cash at the **start**. If you're in a shop and you receive cash, that's because you're the seller, not the buying customer.

If a lady sells debt to a man, she receives cash now in return for selling her promise to pay him back the principal and interest later. She sells the debt contract, she is the borrower.

Borrowing is also known as:

- Selling debt (receiving money at the start)
- Having a debt liability
- Issuing debt (issuing the debt contract at the start)
- Being short debt (shorting is a synonym of selling)
- Owning money (a borrower 'owes' money)
- Being in debt
- Being a debtor. Or less commonly, a creditee.
- Writing debt (since you write the contractual promise to pay back principal and interest and give the paper contract to the lender)

## ***Lending: Synonyms***

Lenders give money at the start. Lending is equivalent to buying a debt contract.

To remember that a lender buys debt, just think about how a lender gives cash at the **start**. If you're in a shop and you pay cash, that's because you're the buying customer, not the selling shop keeper.

If a man buys debt from a lady, he pays cash now to buy her promise to pay him back the principal and interest later. He buys the debt contract, he is the lender.

Lending is also known as:

- Buying debt (giving money at the start)
- Having a debt asset or owning a debt asset
- Investing in debt
- Being long debt (longing is a synonym of buying, shorting is selling)
- Being a creditor. Or less commonly, a debtee.
- Being owed money. Note that this is **not** the past tense of owe. “He is owed money” means the man is a lender. “She owes money” means the lady is a borrower.

## *Questions: Debt Terminology*

<http://www.fightfinance.com/?q=128,129,130,374,234,372,373>