SPECIALIST LENDING TOOLKIT

SECURED LOANS

A secured loan, also known as a second charge mortgage or homeowner loan, is a form of borrowing, that uses a property you own as security (collateral).

By securing the loan against a property, it gives lenders reassurance that the balance will be repaid, as they can repossess the property if repayment cannot be made.

This can boost lenders' confidence in approving the loan, even if you are considered a higher risk.

This loan runs alongside your existing mortgage and it operates independently, meaning it will not disturb your current mortgage.

They can be used for any legal purpose. Popular reasons include debt consolidation, home improvements, weddings, or other large purchases.

If you qualify, the loan amount you can secure will depend upon both your lender and your situation. However, most secured loans range from £20,000 to £1 million. Therefore, they can help you fund a range of plans.

If you're considering consolidating debt, it's important to note that this may extend the terms of the debt and increase the overall amount you'll repay. Think carefully before securing other debts against your home. Your home may be repossessed if you do not keep up repayments on a mortgage or any other debt secured on it.