SPECIALIST LENDING TOOLKIT

SECURED LOANS

A secured loan is a form of borrowing, which uses a property you own as security (collateral).

It's also known as a 'second charge mortgage' or 'homeowner loan'.

Securing a loan against a property gives lenders reassurance that the loan will be repaid.

This can make lenders feel more comfortable about approving your loan, even if you are a higher risk, e.g. if you have poor credit.

This loan runs alongside any existing mortgage you may have in place and it operates independently.

You can use them for any legal purpose you choose. Popular reasons include debt consolidation, home improvements, weddings, or other large purchases.

How much you are able to borrow will depend on your lender and your circumstances. However, most secured loans range from £20,000 to £1 million. Therefore, they can help you fund most plans.

Remember, if you miss your repayments, you could risk your property being repossessed. You could also potentially harm your credit score.