

Title:

Inflation: Public Enemy Number 1

Word Count:

416

Summary:

When our grandparents were working they could earn a decent living, pay for a house, a car, seven children, and still have money to put in the bank

Keywords:

loans, uk finance

Article Body:

When our grandparents were working they could earn a decent living, pay for a house, a car, seven children, and still have money to put in the bank. But today, the cost of living has outstripped rises in pay so that things cost more but we're not making more. We have to make due with the money we have.

What's the implication? Sometimes that means getting a payday loan to bridge us to the next paycheck. Other times that means using our credit cards to consolidate our monthly expenditures and paying it back once at the end of the month. And still other times it means getting a loan to help us buy the things we need.

There are two types of loans. An unsecured loan is money that a lending agency gives to you based on their assessment of your risk. Your credit rating is one of the ways they make that decision. And since they lose their money if you default on your payment, the risk is higher so the interest rate is higher.

However, if you need to borrow more money or you want a loan at a more attractive interest rate, or you want some flexibility with the repayment terms, then borrowing against your assets is the way to go.

Some examples of assets, or equity, that you may be able to use include your home your car, your stock certificates, or some other kind of valuable possession. Borrowing against these assets assures the lending institute that they can recoup their losses if you fail to make your payments since there is an alternate form of payment.

Lending agencies like this because it minimizes the risk they take. And you'll

love it because it increases the amount of money you can potentially borrow, it lowers the interest rate you'll have to pay, and it lengthens the amount of time you're expected to pay the loan back! What could be better than that?

Some excellent uses for secured loans include such things as debt consolidation or home improvement loans. In both cases, you'll find that a secured loan gives you a good amount of money at an attractive rate so you can reduce your debt payments or increase the value of your home affordably!

We live in a world that expects us to borrow now and then. Don't you think that a secured loan is the way to go the next time you need to borrow?