Why Second Charge Lending Is Vital
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Industry data reveals over a million UK homeowners are reaching the end of cheaper fixed-rate deals and facing a "rate shock" and average payment increase of up to £283 a month.

It's no surprise, that the Finance & Leasing Association (FLA) reported a 16% year-on-year increase in second charge mortgage lending in June, pushing monthly volumes to £205 million. This isn't a coincidence, it reflects a shift in how advisers and borrowers are approaching borrowing requirements.

Historically, refinancing the main mortgage was the standard route whenever a client needed to raise additional funds or consolidate high-interest debt. In today's market, that traditional approach often backfires. Swapping out a low-rate mortgage forces the entire remaining balance onto current, higher interest rates, while breaking a deal early can trigger high Early Repayment Charges (ERCs).

Second charge mortgages solve this problem by allowing clients to ring-fence their existing lower-rate first charge while securing the extra money they need alongside it. Whether that means consolidating high-cost credit cards and personal loans into one manageable payment or funding home improvements, a second charge gives brokers a practical way to relieve financial pressure without touching the existing mortgage deal.

As mortgage costs and living continue to rise, second charges shouldn't sit at the bottom of the broker's toolkit as a last resort. For many clients right now, they're simply the smartest first choice.

Positive Lending continues to lead the way in second-charge expertise and advice, supporting the intermediary market with award-winning service and dedicated specialist support

Get in Touch with Our Second Charge Mortgage Team
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