



## Article Side

Bad Credit Rating Loans: Helps to ignore blemished scorecard! by [Sophia William](#)

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Financial crisis can surround anyone's economic life and may put the whole credit history at a stake. Any unusual happenings during financial mismanagement in life like urgent medical expense or break down of new car can upset one's budget, totally. Such defaults can worsen an individual's credit scores and shuts all the doors for further credit creation. Before offering a loan, lenders enquire about borrower's credit ratings or the FICO score through credit reference agency named Callcredit in the UK. Depending upon the repayment capabilities, agency rates the borrower's score ranging from 300 to 800. The score above 650 is considered as a fair score for lending loan while holder's ratings under 650 can find tough to avail loans. To provide financial aid to latter holder's, experts have designed bad credit rating loans.

Bad Credit Rating Loans are particularly available for long term as well as short-term needs. These loans come in varied options namely in secured and unsecured bad credit rating loans. Secured option is available by placing collateral against sum assured. Lenders are certain about the repayment as regular non-repayment of installment initiates the lender to sell off borrower's valuable possession and get the amount. Due to secured nature, rate of interest charged is comparatively low. Generally, the amount offered under secured option is in limit of £25000 to £75000, depending on the value of asset and repayment capability. Lenders expect reimbursement of assured sum in a period ranging from five to 25 years.

While discussing about unsecured alternative, it is entirely a different approach from secured option. It involves no collateral and its short-term nature enhances the lender to impose comparatively higher rate of interest on lent sum. Borrowers can attain amount up to a range starting from £1000 to £10000. Regulations allow borrower to repay the amount in a period not exceeding more than 6 months to ten years.

If an individual has filed for insolvency or bankruptcy then his situation is considered to be the worst when compared to defaulters of payments, missed payment, arrears, court country judgment, individual voluntary agreement, etc. Higher the credit rating will be, larger the amount of loan will be sanctioned to the borrower and vice-versa. Lastly, it can be said that bad credit rating loans have always proved advantageous to the bad credit holders.

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Sophia William is author of Loans for Bad Credit Ratings. For more information about a [Same day loans](#), a [Unsecured loans for bad credit](#) visit a <http://www.loansforbadcreditratings.co.uk>

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