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Pay Day Cash Loans – Why are They So Popular? [By Phoenix Payroll Ltd](#)

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Pay day cash loans are a rapidly growing industry in the UK and generate hundreds of millions of pounds in revenue each year. This rise in popularity could be a result of the recession, which has subjected many people to pay freezes, while the cost of everyday necessities continues to rise.

The idea is that people can take out a small loan and pay it back when their pay cheque arrives. This means pay day loans can be a quick fix for a short term financial shortfall.

Many companies offering this type of loan operate online, which makes for a speedy loan applications process. The cash is often transferred quickly too – within 24 hours for the most part. This speed and convenience sets pay day cash loans apart from high street loans and makes them a popular choice for anyone who needs instant cash for a short time period.

There are hundreds of pay day lenders throughout the UK, which means it's possible to shop around for a good deal. Typically rates of interest are high – anywhere from 100% to 10,000% APR – which is part of the reason these loans are not suitable for long-term debt management or borrowing beyond a time frame of around a month.

However, for an instant cash injection, pay day loans are very popular and easier to get than a high street loan. If you're considering taking out a short term cash loan, you'll need to check that the lender is licensed by the Office of Fair Trading. This licensing means that the lender has agreed to adhere to responsible lending standards – for example, not lending money to people who have no chance of paying it back.

There are certain checks in place to help pay day lenders determine whether to give a loan. In the UK, you'll need to be over 18, have a valid UK address, bank account and a source of steady income to be eligible.

These measures are designed to determine whether borrowers will be able to repay their payday cash loans. If a borrower has a history of prolonged debt, for instance, the risk of lending to them will be high both for the borrower, who could find his debt spiralling, and for the lender, who may lose the money they have loaned.

Pay day loans are fast, convenient and generally safe ways to borrow. But you should only consider a pay day cash loan if you are in steady employment with a reliable source of income. Otherwise the dangers outweigh the benefits.

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capable of repaying it, so you can be sure you're in safe hands. Find out more at a <http://www.yorkshirecash.co.uk/>.

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