



Ignoring second charge means missing opportunities to serve customers

The second charge sector has come a long way in recent times. We're now operating in a stronger, more robust marketplace than ever before. Regulatory changes have helped to solidify second charge loans as a viable option for a greater number of borrowers and thanks to a wider range of competitive offerings, faster completion times, helpful tools and lower broker fees, it is clear that the needs of borrowers are particularly well catered for. And in a new regulatory environment it's more important than ever that clients should be advised in the right way and that all types of finance options are explored - factors which have certainly not gone unnoticed within the intermediary community.

Recent research showed that c.49 per cent of brokers surveyed said that second charge loans had become more important to their business due to the new regulations, while 59 per cent were suggested to be more likely to consider a second charge for customers looking to raise capital. In addition, 40 per cent of brokers have already reported an increase in loan applications since the implementation of the regime in March. On a further positive note, the majority of respondents (59 per cent) expected the value of their second charge business to grow 10 per cent over the next two years, spurred by better consumer protection.

The closer alignment of second charge mortgages with first charges has undoubtedly resulted in a rise in prominence and profile. However, it's also vital to remember that the processing of these product types remains completely different. This fact alone helps to underline the importance and value attached to the support – in terms of experience, expertise and contacts - on offer from specialists like Fluent for Advisers. It is this continued support which will ensure that the right solutions can be found to match individual cases and be completed with a minimum of fuss.

Second charge may seem like an obvious solution in many cases but there are still too many brokers who have not yet recognised how second charge loans can work for their clients as a workable and attractive option.

Which raises the question - if you aren't including this flexible low cost option within your offering, then why not? You could find that customers might be gravitating to other advisers, who do.

At Fluent for Advisers, we can provide the support you need to ensure your client receives the best possible service and advice.

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