

# Secured Loans

## What You Need To Know



A secured loan allows you to borrow money by pledging an asset as collateral for the loan.

Things you need to know about secured loans are:

01

Secured loans normally require the borrower to pay lower interest rate because the loan is secured against a collateral.

02

A secured loan is a great option to rebuild credit, to borrow low-interest rate loans, or to make major personal purchases such as a car.

03

The assets that can be pledged as collateral commonly include valuable property like a house, money in savings account, CDs, etc.

04

To borrow a secured loan, the value of collateral should either be equal to or greater than the value of loan.

05

Credit unions offer competitive interest rates to customers applying for a secured loan.

[www.gctfcu.net](http://www.gctfcu.net)

**Greater Central Texas Federal Credit Union**

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