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These loans can be of great assistance especially when money is needed in a short notice and payday is not very close. These payday loans help the borrower by providing money for use before they get paid.

These loans may be good in emergency financial situation but it is advisable to not use them as a regular source of financing. This is because in most cases, these loans have very high interest rates. The high interest is as a result of the huge risks that the company takes as a result of the limited requirements involved. However, if the assistance is needed only for a short period, the high interest rates will not be a problem.

Basically, payday loans are advances against the next paydayâ€™s income. They are expected to be cleared as soon as one gets paid. In order for a UK resident to qualify for payday loans, they should first and foremost have a bank account.

Secondly, the borrower should be earning an amount agreed upon by themselves and the lender. It is also important to note that one is not eligible until they are 18 years of age and above. Another requirement for UK residents is that they should be paid by direct deposit.

Payday loans come in handy when expenses pop up and they canâ€™t wait for payday. The good thing about payday loans is that the money will be released in a very short time, and the process of applying does not involve long procedures. This is ideal in situations where money is needed after a short notice. However, some companies will take advantage of the hurry that the borrower has and take advantage of the carelessness that may arise. This can be done by having a line in the terms and conditions that will be used to blackmail the borrower when the time for payment comes.

The loans are ideal for small amounts but when it comes to large amounts, they are wasteful. This is due to the extra high interest rates involved. Some companies even impose maximum limits beyond which borrowers can not be allowed to borrow. Another disadvantage associated with payday loans is that usually terms and conditions are not very clear. One may be tempted to overlook the details, only to come back and find out later that the small details that were overlooked were crucial.

A wage day advance have a stipulated time limit within which the borrower is expected to have paid back the loan. If a borrower is unable to pay before the expiry of the period for some reason, the penalty is usually very high hence in the long run the borrower will end up spending way above what they would have spent. This is made worse by the high interest rates.

However, a wage day advance can be a real savior but they require the borrower to be responsible and to pay the debts before they expire to avoid rough consequences.

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Greg Hanss - About Author:
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