

Affordable And Safe Personal Consumer Installment Loans Are Back In Vogue

With personal credit market in turmoil traditional installment loans—offered through “Main Street” consumer finance offices—have come back in vogue as the safe, affordable, and disciplined loan option for consumers.

Online PR News – 28-March-2011 –Burlington, North Carolina – Chris McKinley, President and CEO of Green Cap Financial, reported to NC’s Lending Association on March 25, 2011, that young borrowers are once again discovering the benefits of traditional installment loans.

With the personal credit market in turmoil, traditional installment loans—offered through “Main Street” consumer finance offices—have come back in vogue as the safe, affordable and disciplined loan option. A renewed respect for traditional financial values; saving money, spending wisely, and borrowing responsibly is leading the way for consumers to manage their personal finances in a more responsible manner. Meeting this need is the traditional credit option—the consumer installment loan. While older generations have been familiar with the benefits traditional installment loans offer, such as fixed payments, fixed interest, and disciplined debt reduction, many younger generation consumers are just now discovering how important the traditional installment loan can be to responsible borrowing.

Chris McKinley of Green Cap Financial, a five branch consumer loan company headquartered in Burlington, NC explained: “Many of our younger consumers have never experienced the installment loan process through a local branch office because of the flood of easy credit options over the past 10 years. This younger generation is just now discovering the benefits of installment loans for credit needs and learning how it can help them manage their debt in a very responsible way.”

In the report issued last week, McKinley stated: “We are seeing a generational growth in borrowers for traditional consumer loans. We are seeing younger borrowers come in—some even referred by their parents or grandparents—who know and understand benefits of this type of loan product. These customers are trying to establish credit or attempting to reestablish credit with a more disciplined loan. Some are trying to get help with school, while others are consolidating bills. The traditional installment loan is underwritten the old fashioned way with one-on-one interaction, payment budgeting, and the creation of a personal relationship. Information is verified and loan terms are structured to ensure the borrower’s success. And a successful experience for the consumer is the only way we succeed as a business. When the consumer achieves their goals, we achieve ours.”

Before the Subcommittee on Financial Institutions and Consumer Credit in Washington DC, Chris Stinebert, President & CEO of The American Financial Services Ass. (AFSA), discussed features of traditional installment loans. “Our loan products meet the standards of the Center for Financial Services Innovation’s definitional benchmarks for high-quality credit. They’re marketed transparently. They’re affordable, because our members work with customers to determine ability to repay loans. They have amortization schedules and customers’ repayment performance is reported to credit bureaus. Good payment behavior is rewarded by higher credit scores.”

“What is happening with young people is that they have numerous easy credit options available that don’t require budget review, proof of ability to pay or responsible precautions. Young people are getting themselves in trouble financially before they even know what’s at risk. While some of the loan options available to young people provide ease and convenience, these products are often not appropriate.

“The traditional installment loan is perfect for young people for many reasons. The loans are simple and straightforward with fixed payments, based on their actual budget. It’s an excellent product for borrowers who are less experienced or who want the discipline and ‘high touch’ interaction that is the foundation of consumer installment loans.” —Chris McKinley, President & CEO, Green Cap Financial

As consumers embrace a renewed appreciation for traditional financial values, the consumer installment loan will continue to move into vogue. “Main Street” credit offered in local loan offices will play a vital role in protecting and benefiting consumers.

As Seen On



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