Title:
Credit Card Debt Consolidation: Top 3 Factors to Consider

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Summary:
If you’ve got a number of credit cards and insurmountable credit card debt, then perhaps it’s time to consider a debt consolidation loan. A consolidation loan is a loan that you can use to pay off all your debts, meaning that you can pay them off for less money without having to worry about lots of different bills.

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Article Body:
If you’ve got a number of credit cards and insurmountable credit card debt, then perhaps it’s time to consider a debt consolidation loan. A consolidation loan is a loan that you can use to pay off all your debts, meaning that you can pay them off for less money without having to worry about lots of different bills.

For instance, if you had borrowed $3000 five years ago, you may now owe $5000 (principle plus interest). A debt consolidation program may involve eliminating some amount of interest so that you pay less than $5000.

Also, your previous outstanding balances may be on five different credit cards. You need to pay 5 bills every month. Once you participate in a debt consolidation program, all your accounts will be consolidated into one account. You now pay only one bill each month.

In a credit card debt consolidation, your average interest rate may be reduced. All your loans can also be transferred to one single card that has a lower interest rate than the ones you are currently paying.

Here are top three factors to consider for Credit card debt consolidation:

1. Interest Rate

Get the best interest rate you can if you opt for debt consolidation. This interest rate is almost as important as the one on your mortgage, but much harder to change after you’ve signed on the dotted line. Don’t be fooled by any

offers that give you a good rate for a limited time – you’re going to have this loan for quite a while.
Interest rates for credit card debt consolidation loans through traditional lenders may be based on your credit score. If high, you are likely to get a credit card debt consolidation loan at a lower interest rate. If the credit score is low, credit card debt help companies may be able to help offer methods for raising your credit score.

2. The loan tenor or length of the loan

The most overlooked aspect about debt consolidation loans is that the ones with lower payments generally last a very long time – you may end up paying it off for twenty years, or even longer. You should try to find a loan that doesn’t last as long, and asks for payments that are as much as you can afford.

3. A payment sum that you can manage.

Almost without exception, the loan will be secured on your home. That means that if you start missing payments, the finance company will kick you out, take (‘repossess’) your house, sell it, and pay back the debt with that money.