

Title:

Consolidate, Before It's Too Late.

Word Count:

426

Summary:

Credit cards have revolutionized the purchasing experience since Diners Club released the first credit card in 1950.

It gave consumers limited credit that, at times, even surpassed their own personal savings. It allowed them to buy items they cannot usually afford with a straight cash purchase. It also provided the convenience of not needing to carry wads of dollar bills.

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Keywords:

credit card debt consolidation

Article Body:

Credit cards have revolutionized the purchasing experience since Diners Club released the first credit card in 1950.

It gave consumers limited credit that, at times, even surpassed their own personal savings. It allowed them to buy items they cannot usually afford with a straight cash purchase. It also provided the convenience of not needing to carry wads of dollar bills.

Thus, on the average, American households possess 4 credit cards or a total of 13 payment cards including debt cards and store cards aside from credit cards. There are, actually, 1.3 billion payment cards in circulation in the United States.

But if you think that credit cards have made the lives of modern American consumers easier, think again.

Statistics show that the average credit card debt for each household per month is \$4,800. This lead to 1.3 million credit card holders declaring bankruptcy in 2003.

And if you still consider yourself unaffected by this, then consider this one: upon retirement, most Americans can only expect to receive about 37% percent of their annual retirement income because of debt payment, leaving them to depend on the government, family and charity.

That's scary. So before you find yourself in the same situation, it might be time to evaluate your credit card debt.

One way of resolving debt that you might consider is credit card consolidation.

So what is credit card debt consolidation?

In a nutshell, credit card consolidation is taking all your credit card debt dues and consolidating them into one monthly payment. This way, you don't have to worry about managing the payments individually. Aside from that, it may also provide you the additional benefits:

- ? Reduce interest payments
- ? Waive late and overtime fees
- ? Low monthly payments
- ? Debt relief in a shorter time
- ? Credit improvement
- ? Save more money in the long run

You will also need to know that there are actually two major types of credit card consolidation.

First is through a Credit Card Counseling firm. They assist consumers by consolidating all their monthly payments into one single payment and then disperse this to the creditors in behalf of the consumers until they are debt-free.

The other type is through a home equity loan or other secured loan. This is done by exchanging an unsecured debt (such as credit card debt) for a secured debt (a debt backed by specific assets such as real estate).

Now, credit card debt consolidation isn't a magic balm that will drive all your credit card debt malaise away. But it will make paying all your debt easier and might save you money in the long run.