

Title:

Debt Consolidation Loans

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318

Summary:

Wouldn't it be nice to make just one payment per month instead of several? Most of us not only have a mortgage payment. We have car payments, credit card payments, student loans, etc.

Keywords:

Finance, refinance, mortgage, home loan, credit, real estate, broker, banker, lender, borrowing, money, rates, closing costs, home purchase

Article Body:

Debt Consolidation Loans

Wouldn't it be nice to make just one payment per month instead of several? Most of us not only have a mortgage payment. We have car payments, credit card payments, student loans, etc.

If you have been living in your home for a reasonable amount of time and you have acquired enough equity, you might want to consider a debt consolidation loan.

A debt consolidation loan is using the equity you have acquired in your home from monthly payments and appreciation to pay off all of your outstanding debt, leaving you with one monthly payment instead of several.

Consolidating your debt has the potential to save you a lot of cash on a monthly basis if you have accumulated a lot of debt.

The interest rates on credit cards alone are considerably higher than that which you would receive on a mortgage.

Another benefit is the interest you pay on your debt consolidation loan is tax deductible, unlike your other debt.

Consolidating your debt is a great way to save money, but don't just dive in. Take the time to educate yourself about the mortgage industry and definitely

shop around for the best deal. The mortgage industry is very competitive, so let them compete for your business.

Another benefit to consolidating your debt is that it will help your credit score go up.

The accounts you have outstanding that you owe money to are called open trade lines, by paying these off and then closing a few of them to keep your debt under control, you will be effectively increasing your credit score over time, which is how lenders determine your payment history.

Jennifer Hershey has more than twenty years of experience in the Mortgage Industry as a loan officer. She is the owner of <http://www.explainingmortgages.com/>, a mortgage resource site devoted to making mortgage terms and products easy to understand.