

Credit card debt consolidation loan
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Credit card debt consolidation is regarded as the first step towards getting rid of credit card debt. Credit card debt consolidation loan is one of the ways of consolidating credit card debt. Besides, credit card debt consolidation loan, you can also go for balance transfer to another credit card. In fact, due to the publicity by credit card suppliers, balance transfers seem to be more talked about than credit card debt consolidation loan. Some people kind of forget about credit card debt consolidation loan being available as a method of credit card debt consolidation. However, credit card debt consolidation loan too is important to consider when going for credit card debt consolidation.

So what do we mean by credit card debt consolidation loan?

Put simply, credit card debt consolidation loan is a low interest loan that you apply for with a bank or financial institution in order to clear off your high interest credit card debt. So credit card debt consolidation loan too is based on same principle as balance transfers i.e. moving from one or more high interest debts to a low interest one. The credit card debt consolidation loan has to be paid back in monthly instalments and as per the terms and conditions agreed between you and the dispenser of credit card debt consolidation loan.

Credit card debt consolidation loan, in general terms, is an unsecured loan i.e. doesn't require you to pledge any security. However, if you have a really bad credit history and you want go for credit card debt settlement using credit card debt consolidation loan, the credit card debt consolidation loan will take the form of a secured credit card debt consolidation loan. This type of credit card debt consolidation loan requires you to pledge a security e.g. the home owned by you or something else that has a value which is comparable to your credit card debt consolidation loan amount. So, worse the credit rating, the more difficult it is to get a credit card debt consolidation loan.

Though balance transfers and credit card debt consolidation loans have the same objective behind them, the credit card debt consolidation loans are sometimes considered better because you end up closing most of your credit card accounts which have been the main culprit in landing you in this difficult situation. However, balance transfers have their own advantages which are not available with credit card debt consolidation loans. Choosing between credit card debt consolidation loan and balance transfer is really a matter of personal choice.