

Title:

3 Types Of Debt Help Available Online - Consolidation Loans, Debt Management And Debt Settlement

Word Count:

319

Summary:

When it comes to consolidating debt, the internet offers three very good options. When you want to choose between a consolidation loan, debt management, or debt settlement, it is important to have an understanding of each one so you can choose the option that is best for your needs. Many people confuse these three services, but each one brings unique aspects to the job of helping consumers pay off their debts.

Debt Consolidation Loan

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Keywords:

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Article Body:

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Debt Consolidation Loan

A consolidation loan takes all of your high interest credit card debts and turns them into one low interest loan. Often you have to be a home owner to qualify for this type of loan. The idea behind a consolidation loan is that with a lower interest rate, you will actually be able to afford to pay on the principle and that will help you to eventually get yourself out of debt.

Debt Management

Debt management companies work with consumers to help them learn to get control

of their finances. The companies teach individuals how to make a budget and stick to it and often help them make a schedule to follow for paying off their debts. Most debt management companies are non profit and exist solely to help consumers get on track. These companies don't offer loans or negotiations and seldom work with creditors. Instead they work with you so you will have the tools to secure your financial future.

Debt Settlement

Debt settlement companies actually go to your creditors on your behalf. They work hard to negotiate with credit card companies to reduce what you actually owe. They can often lower interest rates, have penalties and late payment fees removed, and even get credit card companies to lower the balance of what you owe. Many of them will set up a system where you pay them one amount each month and then they in turn make payments to your credit card companies.