

Title:

3 Things To Watch Out For With Debt Consolidation Services Online

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326

Summary:

Most of us are swamped with bills like credit cards and auto loans, so we're turning to debt consolidation services to help us regain control of our finances. And it's a good idea, since some debt consolidation services can also help you lower your interest rates and monthly payments. But there are some unscrupulous folks out there, and that means you need to watch out for scammers when you're looking for a Debt Consolidation Service online. Here are three warning signs of a ...

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Article Body:

Most of us are swamped with bills like credit cards and auto loans, so we're turning to debt consolidation services to help us regain control of our finances. And it's a good idea, since some debt consolidation services can also help you lower your interest rates and monthly payments. But there are some unscrupulous folks out there, and that means you need to watch out for scammers when you're looking for a Debt Consolidation Service online. Here are three warning signs of a disreputable company:

Large, outrageous fees

Some companies charge \$100 just for reviewing your account, often disguised as a "credit analysis." Others offer an "educational program" consisting of mostly free forms, letters and information gathered from Internet websites. The cost for this "education"? It can be as high as \$1,500! Be wary of any company that pushes for up-front payment before you receive any type of service or materials.

Unbelievable promises

"Your monthly payment will be half of what you're currently paying!" "We'll get your interest rate slashed to zero percent!" "You'll be paying less in just two weeks!" These types of exaggerated promises are designed to lure you in, and they're rarely true. No one can work miracles, and they certainly can't work

them in just two weeks. Expect it to take at least a month--and probably longer --before you see the effects of debt consolidation on your finances.

They make first contact

Any company that sends out SPAM, cold calls your home, or sends you junk mail is fishing for a fee. Chances are they only want your money, and once they get it they'll offer very little in terms of services. Most reputable companies will wait for you to contact them.

You can always double check a Debt Counseling Service with the Better Business Bureau to see if any complaints have been filed against the company. You might also consider asking family and friends if they have any experience with the service.