Title:
Debt and Bill Consolidation Program Lenders: Help With Your Loans

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480

Summary:
No one wants to drown in debt, but there are many people who cannot avoid it. For those individuals who are having bill problems, debt and loan consolidation is one way that they can take back control over their finances.

Keywords:
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Article Body:
No one wants to drown in debt, but there are many people who cannot avoid it. For those individuals who are having bill problems, debt and loan consolidation is one way that they can take back control over their finances. Debt and bill consolidation can help individuals deal with the debt that can occur through student loans, home ownership, education and medical bills. If you have not been able to avoid falling into debt, it is important to work on paying down your debt and can use bill consolidation programs to assess how much you actually owe before you find ways to pay it all off.

Debt and bill consolidation itself is simply the process of adding up all of your outstanding debts and then seeing how much you can reasonably afford to pay off each month. The simplest way to do this is to work out your disposable income and compare it to your monthly debt and bill consolidation total. You will find that the amount you have available to pay off your debt and bill consolidation total is not enough but there is no need to panic.

The next stage is to work out what percentage of your debt and bill consolidation total each of your creditors represent. It is important to do this to be able to come up with a realistic offer of reduced repayments to your creditors. For example, if your debt and bill consolidation total is $2000 and your repayment to X Creditor is $200 then you take 200, divided by 2000 and then multiply the result by 100 to give you a percentage. In this case the result is 10%. Therefore you know that 10% of your debt and bill consolidation total is due to X Creditor. Now you see what you can actually afford to pay X Creditor from your disposable income. Your disposable income is the amount you have coming in each month minus the essential bills such as mortgage, utilities and food. The amount that you will pay X Creditor is 10% of this disposable income. For example, you have calculated that your disposable income is $1200. To find out what 10% of this is simply take 1200, multiply it by 10 and then divide the answer by 100. The result is $120. Therefore you would be able to afford to pay the reduced rate of $120 per month instead of the $200 that it currently requires from your debt and bill consolidation

Once you have calculated the affordable amounts to pay each of your creditors on your debt and bill consolidation list you need to contact them to put forward your proposal. If you explain to most creditors that you are performing a debt and bill consolidation but do not want to take out a debt and bill consolidation to compound the issue they are more than likely going to work with you. A debt and bill consolidation loan should always be the last resort.