

# DEBT CONSOLIDATION LOAN



VS



# DEBT MANAGEMENT PROGRAM

Deciding if a loan or a DMP through a credit counseling service is right for you

	Debt Consolidation Loan	DMP
<b>Amount of Debt</b>	\$1,000 - \$50,000	\$5,000 - \$100,000+
<b>Time to Payoff</b>	12 - 60 months	36 - 60 months
<b>Interest Rate</b>	10-22% (based on credit score)	0-11% (on average)
<b>Fees</b>	Loan origination fee (0.5-1% of loan amount)	Monthly administration fee, set by state where you live (average \$49)
<b>Credit score required to qualify</b>	660 or higher	No score requirement (300 and up)
<b>Debts you can include</b>	Any unsecured debt, in some cases including student loans	Primarily for credit cards, but you may also include medical, personal loans, and collections
<b>Can you keep your credit cards?</b>	Yes, accounts remain open	Cards included will be closed, but you may keep a card out of the program
<b>Credit impact</b>	Positive (when done correctly)	Neutral or positive, although there may be a slight temporary drop in score when certain cards close.
<b>Professional support</b>	No	Yes

Source:  
<https://www.valuerepenguin.com/personal-loans/average-personal-loan-interest-rates>  
<https://www.unitedcredit.com/terms/origination-fee.asp>  
<https://www.mar.us.com/when-to-use-a-credit-counselor/credit-score/credit-score-for-a-personal-loan>