

Debt Snowball

Get the ball rolling and start attacking your debt!

You've got your emergency fund taken care of. Now it's time to dump the debt!

The Debt Snowball form will help you get some quick wins and develop some serious momentum! You'll make minimum payments on all of your debts except for the smallest one. Then, attack that one with gazelle intensity! Throw every dollar at it that you can!

Step 1

List your debts in order from the smallest Total Payoff" balance to the largest. Don't be concerned with interest rates, unless two debts have a similar payoff balance. In that case, list the one with the higher interest rate first.

| DEBTS | TOTAL PAYOFF |
|---------------|--------------|
| Diagnostic | 50 |
| Hospital Bill | 460 |
| Home Depot | 770 |

Step 2

Attack that smallest debt by paying as much on it as you possibly can. Once you pay one debt off, take what you were paying on that one and add it to the minimum payment of the *next* debt. As the snowball rolls over, it picks up more snow. Get it?

| MIN. PAYMENT | NEW PAYMENT |
|---------------|---------------|
| 10 | 10 |
| 38 | 48 |
| 45 | 93 |

Step 3

Every time you pay off a debt, cross the debt off. This will show you how close you're getting to becoming debt-free!

| |
|--------------------------|
| Hospital Bill |
| Home Depot |
| Chase VISA |
| Car Loan |

I'M DEBT-FREE!!!!

