

# How to manage your debt

Get organized, add up your debt, and figure out your plan.

## The debt avalanche method



- Pay debts in order of interest rate, starting with the highest interest rate.
- Focus on paying off one balance at a time in order of interest rate while still paying minimum balance on all the other debts.

**Benefit:** Pay debts off faster and pay less interest.

## The debt snowball method



- Pay debts in order of balance amount, starting with the smallest balance.

*If debts have the same balance, put the debt with the higher interest rate first.*

- Focus on paying off one balance at a time in the order of smallest to largest, while still paying minimum payments on other debts.

**Benefit:** Quick satisfaction.

## Debt calculator

Creditor	Balance	Rate	Minimum Payment	Notes
<b>Total</b>				

Now decide if the avalanche or snowball method is right for you.

Visit [usbank.com/financialiq](https://usbank.com/financialiq) for more budgeting and saving tips.

Source: American Consumer Credit Counseling



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