

Tool #7: CLIMB OUT OF DEBT

Start climbing out of debt – slowly – but purposely:

- Believe that you can live completely debt free.
- Begin by paying off lowest balance account, and then use those payment funds to increase payment on next account, and next account, until all accounts are paid off (also known as the snowball method).

You can't get out of debt while living the lifestyle that got you there.
Cut out everything except the basics.

Dave Ramsey

How would my life be different if I had NO DEBT WHATSOEVER?

What dollar amount, and also what percentage, of my take home pay goes to service debt? (Include house, cars, loans, credit cards, etc).