



## SNOWBALL METHOD Quick Reference Guide

### BEFORE YOU START...

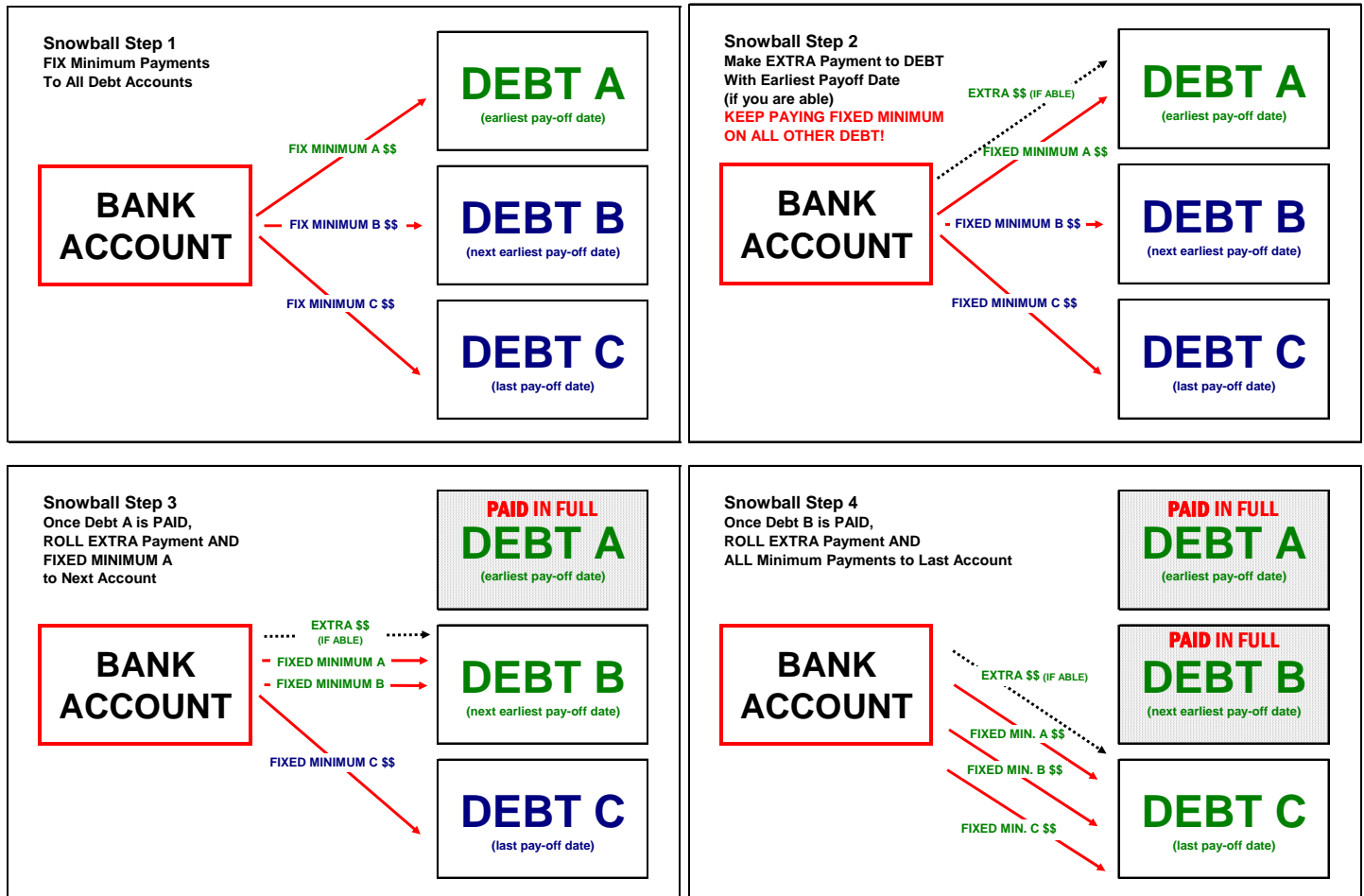
- **PRAY** – You need a change of heart and God’s help!
- **NO NEW DEBT** – You must commit to occurring NO NEW DEBT
- **SAVE** – You need an Emergency Savings Fund to stop the cycle of always turning to DEBT when ‘LIFE’ happens
- **GIVE** – Generosity breaks the hold that debt/money has on us & roots out selfishness
- **SHARE** – Tell a trusted person to keep you accountable & encourage you as you go

### DEBT LISTING

- List your **creditors**, your current **balances**, your **minimum payments**, and your current **interest rates**.
  - **Snowball Method** – list your debts smallest balance to largest balance (provides tangible benefits/incentives as debts are paid off sooner)
  - **Avalanche Method** – list your debts highest interest rate to lowest interest rate (saves some interest, but takes longer to see the first debt paid)
  - **Consolidation Method** – consolidates all debt into one loan with lower interest rate (should be considered, but does not change the heart/habit of what got people into debt and can dangerously use up equity in home)



## SNOWBALL DEBT REPAYMENT METHOD (FIX & ROLL PAYMENTS)



**Stay with it until all debts are paid.**

**Once Consumer Debt is Paid?** Accelerate Mortgage Repayment  
 Save for Goals & Priorities  
 Live Simply  
 Live Generously

**What do to with Extra Cash?**

1. **GIVE** (From a blessed heart back to God)
2. **SAVE** (For Future Needs)
3. **DEBT** (Stay Free from all bondage)
4. **SPEND** (Enjoy God's Blessings)

**STAY OUT OF DEBT!**

Live within your means (Budget)  
 Simplify your lifestyle  
 Be Content & Thankful  
 Live rich towards God

