

The Debt Snowball

Getting Started

List your debts in order from smallest to largest with the smallest payoff or balance first. Do not be concerned with interest rates or terms unless two debts have similar payoffs, then list the higher interest rate debt first. Paying the little debts off first shows you quick feedback, and you are more likely to stay with the plan.

Redo this sheet each time you pay off a debt so you can see how close you are getting to freedom. Keep the old sheets to wallpaper the bathroom in your new debt-free house. The "New Payment" is found by adding all the payments on the debts listed above that item to the payment you are working on, so you have compounding payments which will get you out of debt very quickly. "Payments Remaining" represents the number of payments remaining on that debt when you work down the snowball to that item. Cumulative Payments are the total payments needed, including the snowball, to payoff an item. In other words, this is your running total for "Payments Remaining."

Count down to freedom!

Date: _____

Item	Total Payoff	Minimum Payment	New Payment	Payments Remaining	Cumulative Payments
Penny's	\$150	\$15	\$0	0	Garage sale
Sears	\$250	\$10	\$25	11	11
Visa	\$500	\$75	\$100	PD	11
M.C.	\$1,500	\$90	\$190	5	16
Car	\$4,000	\$210	\$400	4	20
Stu. Loan	\$4,000	\$65	\$465	6	26

TOTALLY Debt Free except the house!

Finish Emergency Fund; Fund Retirement/College; Then Payoff House

Count down to freedom!

Date: _____

Item	Total Payoff	Minimum Payment	New Payment	Payments Remaining	Cumulative Payments
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
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