



Part 3: Debt

Debt Free = FINANCIAL FREEDOM!!

Debt is financial dependency and high interest debt reduces wealth

High interest debt should be paid off (anything greater than 4%)

Strategies to reduce debt:

- Identify debts and interest rates
- Negotiate to reduce interest rates
- Refinance or consolidate to reduce interest rates
- Determine a debt-payoff strategy
- Set a goal, and
- Just do it!

Debt relief options (bankruptcy and debt settlement) are a last resort, risky and will likely severely damage your credit score.

Worksheets: Vertex 42 Debt Spreadsheet

Resources: Total Money Makeover, National Foundation for Credit Counseling (nfcc.org), MoneyFit.org, [Clark Howard](http://ClarkHoward.com)