

Ease the Stress with Step by Step: Your Get Out of Debt Checklist.



If you were not able to join the first two webinars in this month's series, below are key take-a-ways from those presentations:

In today's consumer-driven society, getting into debt is far easier than staying away from it. Some of the biggest reasons people end up accumulating a lot of debt are:

- Spending more than you make. (Expenses exceed your income.)
- Using a credit card to purchase items you want but do not need.
- Using credit cards to make everyday purchases like groceries, gas, entertainment, clothes, etc. (Just added 2 more items for variety)

Below are steps you can take to get out of debt, manage your student loans to regain your financial freedom.

- 1.) **Know Your Numbers** – Make a list of your outstanding debts and the interest rates. Sort them by the highest interest rate to see which debts cost you the most.
- 2.) **Check Your Credit Report** – Request a free copy of your credit report once per year at www.annualcreditreport.com. Review your credit report for any other debts or collections you may have missed.
- 3.) **Create your Budget** – Be honest about your spending habits. Utilize a budgeting app or a simple spreadsheet to take an inventory of your spending habits. Where can you reduce expenses each month and apply those savings to pay down the high-interest debt?

- 4.) **Find your 50/30/20** – A good rule of thumb is to spend 50% of your monthly income on NEEDS, 30% on WANTS, and 20% on savings.
- 5.) **Limit your Expenses**- Consider looking closely at your budget to see where you can reduce monthly expenses.
- 6.) **Use Cash**- If you pay cash for all your purchases, you will avoid the temptation of purchasing things on impulse, and you will not have to worry about interest or late fees.
- 7.) **Use Only One Credit Card**-Evaluate the best card that you have. Then, gradually start eliminating the rest. To evaluate your cards, consider interest rates, fees, cash back options, etc. By disposing of the surplus cards, you avoid the temptation of spending more money.

Are Your Student Loans Out of Control?

Taking out student loans to help pay for school is a common—and may be the only way for you to pay for your higher education, however, if you plan on borrowing money you must fully understand your responsibilities and obligations as a borrower. If you are not diligent and do not stay on track with your student loan obligations, it can be easy for things to get out of control.

Here are five ways to keep your loan debt manageable. Check it out below!

5 WAYS

TO GET IN CONTROL OF YOUR STUDENT LOAN DEBT



VIEW YOUR FEDERAL STUDENT LOANS AT STUDENTAID.GOV



CONSIDER PAYING OFF HIGH INTEREST LOANS FIRST



JOIN A REPAYMENT ASSISTANCE PROGRAM



KEEP A CAP ON YOUR DEBT BY BORROWING ONLY WHAT YOU NEED



ACCESS THE REPAYMENT PLANS AVAILABLE TO YOU, INCLUDING INCOME-DRIVEN REPAYMENT PLANS