

## The Smartest Ways to Pay Off Debt (And Stay Debt-Free!)

Debt can feel overwhelming, but with the right strategy, you can take control and pay it off faster. Here's how to create a plan that works for you.

### 1. Know Your Numbers

Make a list of all your debts, including balances, interest rates, and minimum payments. This will help you choose the best payoff strategy.

### 2. Choose a Repayment Plan: Snowball vs. Avalanche

- **Snowball Method:** Pay off the smallest debt first while making minimum payments on the rest. Once the smallest debt is gone, roll that payment into the next debt.
- **Avalanche Method:** Focus on the debt with the highest interest rate first. This saves more money in the long run.

### 3. Consider a Debt Consolidation Loan

If you have high-interest credit cards, consolidating them into a single loan with a lower interest rate can help you pay off debt faster. Credit unions often offer lower rates than traditional lenders.

### 4. Avoid Taking on New Debt

Cut back on unnecessary expenses and avoid using credit cards unless absolutely necessary. Building an emergency fund can prevent you from relying on credit in the future.

### 5. Celebrate Milestones and Stay Motivated

Every time you pay off a debt, celebrate your progress! Whether it's a small treat or a financial milestone, staying motivated makes the journey easier.

Debt freedom is possible with the right plan and support. Need help getting started? Our credit union offers personalized debt repayment plans to guide you toward a stress-free financial future. Contact us today!