

Rapid Debt Reduction Through Our “Debt Roll-down” Plan

The average person has eight credit cards in their wallet with thousands in balances and an average interest rate of 16%. Personal debt is escalating out of control (Source - Sound Mind Investing). **1 Corinthians 7:23** says: *“You were bought with a price; do not become slaves of men.”* Jesus died on the cross for you and desires for you to be free from every type of bondage. This includes freedom from debt. Through financial counseling in the FBCW Stewardship Ministry, we can show you how to get free from debt through our “debt roll-down” program.

Keys to Getting Out of Debt

1. Adjust your budget so that you are living below your means.
2. Give a tithe and an offering to God on the first day of every week acknowledging that all we have comes from Him.
3. Stop all spending that is not absolutely essential.
4. Stop all new indebtedness immediately.
5. Sell all depreciating items for which you are now in debt.
6. Promise to put all extra income into debt retirement.
7. Closely examine food cost.
8. Begin to “do it yourself” instead of paying for services.
9. Set a challenging goal for retirement on a pay period basis and make all the necessary sacrifices until you are out of debt.
10. Make getting out of debt a family effort.

Debt Roll Down

1. Organize your debts from smallest to largest according to the normal payoff date.
2. Once you pay off the first debt, take that payment and apply it to the next debt. This will rapidly reduce the time that it takes you to get out of debt.

Debt Roll Down Example

	Normal Payment	Interest Rate	Current Balance	Normal Payoff Date	Rapid Payoff Date	<i>Rolldown Payments</i>
Parents	\$100.00	0%	\$500.00	1/20/2002	1/20/2002	\$100.00
USA Credit	\$183.00	9.5%	\$4200.00	9/20/2003	1/20/2003	\$283.00
Car 1	\$448.52	17%	\$14,224.63	1/20/2005	2/20/2004	\$731.52
Department Store	\$33.00	12. %	\$1,400.00	2/20/2006	2/20/2004	\$764.52
Car 2	\$344.06	29%	\$12,042.10	9/20/2007	11/20/2004	\$1,108.56
First Mortgage	\$811.11	7.5%	110,262.00	6/20/2026	4/20/2010	\$1919.69
Totals	\$1,919.69		\$142,628.73	298 mos.	104 mos	

Total Current Debt: \$ 142,628.73
Total Current Monthly Payments: \$ 1,919.69
Normal Payoff: 24 years 10 months
Rapid Payoff: 8 years 8 months
Total Normal Interest: \$ 150,290.66
Total Rapid Payoff Interest: \$ 57,019.03

Do you want to know more about getting out of debt? We can calculate a roll-down for you based on your specific information. We can also help you develop a spending plan that can help you to stay out of debt. Please contact the FBCW Stewardship Ministry office today at 678-494-2681 for more information about meeting with a financial counselor and/or attending training sessions such as Crown Ministries or Financial Fitness & Freedom.