Debt Reduction Chart

1. First, list each debt, current balance and the minimum required payment.

2. The *Ranking Order* is "1" through whatever. "1" will be the **lowest** number listed in Column # 4.

3. Complete Column # 6 by starting with the *Ranking Order* # 1 debt. The *New Payment* amount is the total of the *Minimum Payment* plus the amount of your supercharge.

4. The new payment for the *Ranking Order* # 2 debt will be the **total** of what you indicated for ranking order # 1 plus the minimum payment for ranking order # 2. Continue this until you have a *New Payment* for each debt.

5. Once Column # 7 is completed total it to determine approximately how many months it will take to be 100% free of debt.

# 1	# 2	# 3	# 4	# 5	# 6	# 7
Name of Debt	Current Balance	Minimum Payment	Column 2 ÷ Column 3	Ranking Order	New Payment	Column 2 ÷ Column 6

Note: After you wipe out the debt ranked # 1 it's important to **add** the amount you were paying each month to the minimum required payment for the debt ranked # 2. Keep repeating this process for each debt because it dramatically increases the amount you are paying to offset your total debt. This is why the strategy is so effective.

Do Not Be Concerned About Paying Off The Highest Interest Rate Debt First