

SLASH YOUR DEBT!

Chapter 6 The Money Habit by Mike Michalowicz



Get the FACTS:

You can't fix what you won't face. Write down exactly what you owe, to whom, and to what interest rates.
NO GUESSING!



Implement the Debt Freeze Today!

Cut one unnecessary expense. Call your credit card companies:

- Lower your credit limit
- Ask for a reduced interest rate
- Request a temporary deactivation



Choose Your First Debt Snowball Target

Target your smallest balance and hit it with every dollar. Don't worry about the interest rate yet, this is about momentum, not math. Crush that first debt and feel the win! Then roll that payment into the next debt!



Trigger Your Debt Avalanche!

After a few wins, aim higher! Target your debt with the highest interest or biggest consequences. Keep minimum payments on the rest. Funnel every extra penny to this monster until it's gone. Then repeat. Logic will now take over where momentum started.