



The Debt-Free Playbook

Proven payoff strategies, budget templates, and a step-by-step action plan to eliminate debt for good.

Step 1: Know Your Numbers

Before you can win, you need to know the battlefield. Fill in your debts:

Debt Name	Balance	APR	Min Payment
1. _____	\$ _____	_____%	\$ _____
2. _____	\$ _____	_____%	\$ _____
3. _____	\$ _____	_____%	\$ _____
4. _____	\$ _____	_____%	\$ _____
5. _____	\$ _____	_____%	\$ _____
TOTAL	\$ _____		\$ _____

Step 2: Choose Your Strategy

The Avalanche Method (Mathematically Optimal)

Pay minimums on everything, then throw all extra money at the highest APR debt first. When it's paid off, roll that payment into the next highest APR. This saves the most money in total interest.

Best for: Disciplined people who want to minimize total cost.

The Snowball Method (Psychologically Powerful)

Pay minimums on everything, then attack the smallest balance first. Quick wins build momentum and motivation. When the smallest is paid off, roll that payment into the next smallest.

Best for: People who need motivation and quick wins to stay on track.

The Hybrid Approach

Start with the snowball to build momentum by knocking out 1-2 small debts, then switch to avalanche for the remaining larger balances. Best of both worlds.

Step 3: Find Extra Money

Even \$100-200 extra per month dramatically accelerates payoff:

- Cancel unused subscriptions — average American has \$219/month in subscriptions
- Sell stuff you don't use — Facebook Marketplace, OfferUp, Poshmark
- Pick up a side gig — even 5 hours/week at \$20/hr = \$400/month
- Negotiate bills — call cable, insurance, phone companies annually
- Use cashback apps — Rakuten, Ibotta, credit card rewards
- Meal prep — saves \$200-400/month vs eating out
- Pause retirement contributions temporarily (controversial but effective)
- Use tax refunds, bonuses, and windfalls for debt, not spending



Step 4: Accelerator Tactics

Balance Transfer Cards

Transfer high-APR balances to a 0% intro APR card (typically 12-21 months). Pay it off before the intro period ends. Watch for transfer fees (usually 3-5%).

Debt Consolidation Loan

Combine multiple debts into one fixed-rate personal loan. Best when you can get a lower rate than your current debts. Simplifies payments to one monthly bill.

Negotiate with Creditors

Call and ask for a lower interest rate. If you have good payment history, many will reduce by 2-5%. For hardship situations, ask about hardship programs.

Step 5: Stay Debt-Free

- Build a \$1,000 starter emergency fund immediately
- Then build 3-6 months of full expenses
- Use the 24-hour rule for non-essential purchases over \$100
- Pay credit cards in full every month — treat them like debit cards
- Automate savings — pay yourself first before spending
- Track spending weekly — what gets measured gets managed

Monthly Debt Payoff Tracker

Month	Starting Bal	Paid	Ending Bal	Total Left
1	\$ _____	\$ _____	\$ _____	\$ _____
2	\$ _____	\$ _____	\$ _____	\$ _____
3	\$ _____	\$ _____	\$ _____	\$ _____
4	\$ _____	\$ _____	\$ _____	\$ _____
5	\$ _____	\$ _____	\$ _____	\$ _____
6	\$ _____	\$ _____	\$ _____	\$ _____



7	\$ _____	\$ _____	\$ _____	\$ _____
8	\$ _____	\$ _____	\$ _____	\$ _____
9	\$ _____	\$ _____	\$ _____	\$ _____
10	\$ _____	\$ _____	\$ _____	\$ _____
11	\$ _____	\$ _____	\$ _____	\$ _____
12	\$ _____	\$ _____	\$ _____	\$ _____

■ See exactly how fast you can be debt-free at payment-calculator.com/credit-card