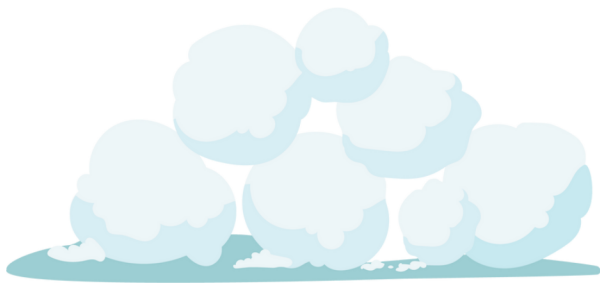


# SNOWBALL METHOD VS AVALANCHE METHOD

The most popular strategies to use when working toward paying down your debt include the snowball method or the avalanche method. You get to decide which method works best, you will reap the benefits of paying it off faster either way!

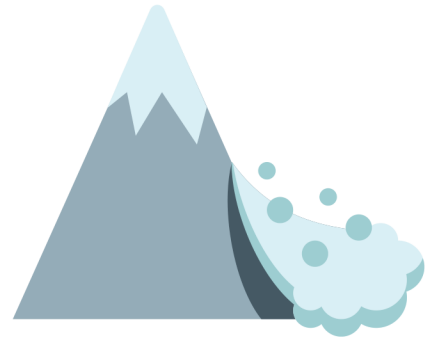


## SNOWBALL METHOD

PAYING OFF YOUR  
LOWEST BALANCE FIRST

- List all your debts from the smallest balance to the largest balance.
- Make the minimum payment on all your debt, except the smallest one.
- With your smallest debt, put as much money as you can toward the balance until it's paid.
- Take the amount you were putting towards the smallest debt and apply it to the next smallest.

With this method, interest rates are not the focus.



## AVALANCHE METHOD

PAYING OFF THE DEBT  
WITH THE HIGHEST INTEREST  
RATE FIRST

- Make the minimum payments on every source of debt.
- Apply any remaining funds toward the debt with the highest interest rate.

By paying off the debt with the highest interest rate first, you reduce the overall amount of interest you pay.