

STEPS TO GET SET FREE:

- **ASSESSMENT:** Are you afraid to open the mail or answer the phone? Do you know how much debt you have?
- **PRAY** to God for guidance and ask for help by using an accountability partner.
- **DECIDE** to cut up the credit cards.
- **KNOW WHAT YOU ARE DEALING WITH:** LIST OF ALL THE DEBIT INCLUDING THE INTEREST
- **GOOD FAITH:** Pay what you can on each bill, every month.
- **PAY OFF** a small bill get more cash flow and use that to do the next item:
- **PAY DOWN** bills with highest interest.
- **BUDGET**-look at your list on a regular basis to see how you are doing.
- **READ THE WORD:** Do you know the Bible says you should not lend at interest and there is a Year of Jubilee when debts are cleared? You can gain wisdom and encouragement in the WORD.

NEEDS VS WANTS

Once you create a budget assess what is absolutely necessary:

- **4 MOST IMPORTANT NEEDS IN ORDER ARE:**
- 1st Shelter, (pay the rent or mortgage first)
- 2nd Transportation, (get a cheaper car if needed)
- 3rd Utilities(heat/lights), (ask the utility company for help)
- 4th Food. (find a local food bank if needed)

HELPFUL HINTS:

- **GOOD FAITH** means consistency and creditors like consistency.
- They also like hearing from you so a letter about how you plan to pay down your debt can have a positive impact.
- **DEBT CONSOLIDATION** is not your friend...that is just transferring debt to another payment plan and often costs more.
- **OLD DEBT** of over 2 years may be reduced by contacting a supervisor at a company. That means you must be prepared to pay the balance once they agree to lower the balance.
- **BANKRUPTCY** is not TEOTWAWKI the end of the world as we know it. It can be a fresh start. Only a good lawyer can help make that decision.
- **DEATH:** if someone dies the interest can be stopped as of date of death.
- **MARRIED PEOPLE** are 100% responsible no matter who runs up the cards.
- **REVERSE MORTGAGES:** BAD IDEA! I will bet Tom Selleck does not have one.
- **EQUITY LINE OR REFINANCE** to pay credit cards or medical debt also bad. You could lose your home by doing that. See a lawyer before making hasty decisions.
- **SHOP** better rates on insurance and utilities, buy cheaper products, but only if you will use them. I never buy cheap food unless I will eat it.

These are general suggestions, but each situation may be different. You may need legal help, financial counseling as well as spiritual counseling. If just reading list is overwhelming, then talk with a spiritual advisor and ask for prayer. If you don't know how much debt you have and are afraid to even answer the phone or open the mail, you should get an accountability partner who prays and understands with compassion, but will tell you the truth. Truth may be scary but it also sets us free.

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