



**Family & Community Services, Inc.**  
**Consumer Credit Counseling**

# Avoiding & Managing Debt

No one wants to talk about debt, yet everyone wants to know the secret to getting rid of it. Why?

Because debt makes it harder to make important life decisions.

Debt can impact your credit rating negatively making it difficult to buy a home, a car or even a TV. It can also get in the way of landing a job, as an increasing number of employers are performing credit checks on prospective employees. Debt impacts your career in another way too: without it you're free to choose an industry or job you love and not a position you need so that you can afford to repay enormous student loans and credit card bills.

When you take into consideration college costs, mortgages and other expenses that come with living on your own, debt may seem impossible to avoid.

The good news is that it's both preventable and curable.

## Preventative Measures

- Cash only or mainly cash lifestyle
- Just say “NO”

## Managing Debt

- Follow the 1- month rule
- Avoid unnecessary “bling”

## Paying off what you owe

- Exceed Minimum Payments
- Know your options



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### Tips for using credit wisely

- Low interest rate or no annual fee
- Avoid loans and credit with high interest rates
- Look closely at credit card offers that use the word “free” Usually everything has a price.
- Don’t take on monthly loan payments you can’t afford
- Don’t use your credit card to buy things you really can’t afford
- Let your budget be your guide
- Resist impulse buying!!!!



## Tips for dealing with Debt

- Ask for help
- Make a written plan
- Contact your creditors
- Pay more than the minimum
- Don't take on any new debt
- Minimize rates and fees
- Don't give up