

Five Simple Ways To Get Out Of Debt

Having too much debt can be an overwhelming problem. It can constantly loom over you, casting a shadow over everything else you're doing. Unfortunately, getting into debt is all too easy, and the result is more and more people are having trouble making ends meet.

When you're faced with debt, it can seem impossible to get control of it. But if you recognize the problem early enough, it can be fairly simple. If you're struggling with your debts, here are five ways to get rid of them and get your finances back on track.

1. Pay more than the minimum payments. Ideally, we should pay off our credit card balances every month, but sometimes we don't or can't. Paying more than just the minimum payment will allow us to pay off our debts much faster. It also has the potential to save us a lot of money, because the quicker we pay credit cards off, the less interest accrues.

This tip is true for other types of loans and credit as well - car loans, mortgages, etc. In some cases, particularly mortgages, you may be faced with a prepayment penalty, but if there is no penalty for paying your debt off early, you should do so.

2. Cut back on your expenses, and put the extra money toward paying down your debt. If you examine your budget closely enough, you will likely find many areas where you could save money. Just taking your lunch to work instead of eating out can save you a substantial amount.

3. Sell things you don't need. Do you have an extra vehicle, or anything else of value that you don't use or need? Even just gathering up some things and having a yard sale could help you raise money to put toward your monthly payments. Every little bit helps.

4. Find some ways to make a little extra money. You could start working a second job, start your own business or even do something as simple as babysitting or delivering newspapers. If you put all the extra money you earn toward paying off your debt, you shouldn't have to do the extra work for too long.

5. Consolidate your debts, but make sure you understand the consequences. One of the ways you can do this is to transfer all your outstanding credit cards onto a single low-interest card. This usually lowers your monthly minimum payment so if you keep making the same payments you have been, the balance will be paid off sooner. Stay away from home equity loans or other secured loans if you can since that will put your property at risk.

Getting out of debt may be easier than you think. Often a few minor adjustments are all that's needed to eradicate a debt problem, especially if it is attended to early on. Then you can learn from your mistakes and keep your debt manageable.

About the Author

Does your debt have you stressed out and constantly worrying? Quit beating yourself up and learn some simple and effective [debt reduction](#) tips. Visit www.DebtSmackdown.com for lots of helpful advice.

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