



# Turn Your Debt into Dollars

Improve Your Credit Score  
Pay off Your Debt  
Upgrade Your Life





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# About The Money Professors

**The Money Professors** share a passion for the success of students in their personal, financial, and professional lives. In 2009 the three of us began working together at East Carolina University. We were acutely aware of the growing need for financial literacy both on and off the campus. After being sought after by outside organizations, reporters, and individuals for their expert advice, we formed The Money Professors.

**The Money Professors** provide end-to-end resources for professional and financial success. The Money Professors consist of speaking and consulting for higher educational professionals, corporate events, college students and adult learners. We also offer a broad range of solutions for educators, college students, and parents.

**Len Rhodes** is Director of Technology, Information and Operations in the College of Business at East Carolina University and a Teaching Instructor in the Department of Finance. He is passionate about helping students acquire the financial decision-making skills they need to achieve their personal and professional goals.

**Bill Pratt** is the Business and Management Program Director and Assistant Professor of Business at Piedmont Virginia Community College. He left the financial industry to focus on helping students become personally and financially successful.

**Mark C. Weitzel** is the founder and director of the Financial Wellness Institute at East Carolina University's College of Business. Throughout Mark's career he has advocated for increasing the financial capability of his clients and students.

# Introduction

Originally, we set out to write a book to help ordinary people with everyday finances. We weren't looking to discover the "next big thing" on Wall Street or predict the future of the gold market. We just wanted to help people, like ourselves, who wanted to learn more about money. We realized there were many personal finance books available, but very few actually give the details that you need to make the right financial decisions for *you*. We decided the best approach to understanding *personal* finances was through a workbook. This workbook will equip you with the type of real-life financial knowledge about credit and debt that was not taught in high school or college.

What really got us started in the world of personal finance was our distaste for debt. We began studying ways to eliminate and minimize debt from literally hundreds of sources. If you have a lot of consumer debt, then you should be encouraged to know that there really is light at the end of the tunnel. While everyone's circumstances are different, most people (and we mean the overwhelming majority of people) should be able to be free of consumer debt in five (5) to seven (7) years, and be completely out of debt (including a mortgage) in as little as seven (7) to ten (10) years. Too many of us just go through life with lots of debt, thinking that is just the way it has to be. Hopefully, the people we can reach with this workbook will start a new trend towards living a life of financial freedom and independence from credit.



We have tried to use easy to understand examples and worksheets. Some of the worksheets are more involved than others, so take your time with them. You are even allowed to use a calculator if you want! Don't try to make any sense of the "Factors" from the Appendices in the back. They are used to help you calculate what *is* important without having to do any complex math. With that, good luck with your personal finances. This workbook should provide a solid foundation for you to begin your journey towards financial independence!



Before you begin your journey through this workbook, ask yourself the following question: What do I hope to get out of this workbook? How will I be better off when I am done?

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# Section 1

## Overview of Credit, Debt and Money



### Did You Know?

Debt is one of the most stressful and difficult parts of personal finance. Many people find themselves so deep in debt that they can't see a way out. When you have just a little bit of debt and you want to get out, all you need is a little focus and a little patience and before you know it you'll be free and clear. Obviously the more debt you have, the longer it will take to overcome your debt, but it can be done. The thing is if you have debt, you are not alone!

- 🎯 Households with a credit card carry an average balance of \$15,700
- 🎯 Credit card debt is almost \$900 billion
- 🎯 Auto loan debt is \$1.01 trillion
- 🎯 U.S consumer debt is more than \$3.3 trillion
- 🎯 Average mortgage debt is more than \$156,000
- 🎯 U.S mortgage debt is a total of \$13.5 trillion
- 🎯 The average student loan debt is \$28,400
- 🎯 Total student loan debt is \$1.2 trillion



## Know Money or No Money!

So what do we know about money? What have we learned that wealthy people do or at least the financially successful people do differently than those who are financially disadvantaged?

- 🎯 72% of the wealthy know their credit score compared to 5% of the financially disadvantaged
- 🎯 73% of the wealthy were taught to live off 80% of their income and save 20% compared to only 5% of the financially disadvantaged
- 🎯 80% of the wealthy are focused on at least one goal compared to 12% of the financially disadvantaged
- 🎯 **79% of the wealthy believe they are responsible for their financial condition compared to 18% of the financially disadvantaged**
- 🎯 6% of the wealthy play the lottery compared to 77% of the financially disadvantaged
- 🎯 9% of the wealthy watch reality T.V. shows compared to 78% of the financially disadvantaged
- 🎯 **8% of the wealthy believe wealth comes from random good luck vs. 79% of the financially disadvantaged**





So what does this tell us? Well, a few things really. First we can see that the wealthy pay attention to their finances. They pay attention to their credit score, and they were given some early financial advice from their families as well. By paying attention to their money, they are making it a priority in their life. That doesn't mean it is their #1 priority ahead of family, friends or worship. It just means that it is something that is important to them because they understand that wealth, security, and even responsible money habits take some effort so the topic must remain in focus.



What is your attitude about money and success? Is your situation a result of your previous actions or primarily due to circumstances outside of your control? What can you do about your situation?

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You will also notice that the wealthy pay attention to goals. That means they had to set them to begin with! By setting goals for ourselves we are much more likely to achieve them. That may seem like common sense but it is certainly not typical behavior. For instance, I like to run. It helps when I need to clear my mind or get out some aggression or lose some weight. But despite the fact that I enjoy it, and it serves multiple useful purposes, I still find excuses not to do it. But if I choose a race I want to participate in (notice I did not say compete), whether it is a 5K or a marathon, now I have a goal. And I am much more likely to stick to a stricter running schedule because of that goal. Without the goal, I will always find excuses to do something else or find other priorities over running.

*To achieve success you have to first set goals*

The same thing applies to debt. You can see how useful it is to pay off debt, and how it will make you feel better in the end, but it is still work. It takes some effort. If you do not set any type of specific goal for yourself you will always find excuses why you can't pay down the debt this month or why it's okay to increase your debt at this time due to some special circumstance.

Notice also that the wealthy believe they are responsible for their own financial condition. That means they understand that it is their own effort that will result in positive results. Now look at the financially disadvantaged. They see it the other way around. They think their situation is hopeless and there is nothing they can do about it. They may feel that society is keeping them down, or their



situation is so unique that their circumstances are unfair. Maybe they come from a family in poverty, and they live in a neighborhood of poverty and all they see around them is poverty so they think that is all there is. They think financial success is for those *other* people.

That could explain why they play the lottery or spend so much of their time watching TV as compared to the wealthy. Since the wealthy think it is up to themselves to be successful they are not relying on the luck of the lottery balls, but on their own efforts. The financially disadvantaged think there is nothing they can do so their only hope is if their lottery numbers hit. An overwhelming majority of financially disadvantaged feel they simply cannot do anything about their situation. **BUT THEY ARE WRONG!!** While their situation may not be their fault, there are steps they can take to improve it, just as there are steps you can take to improve your situation as well. And when you are done, you will hopefully not only achieve financial success, but you will then use your improved situation to share your story with others, and help them improve their lives as well.

Now, I am not naïve. I understand that we all start in different places in life. Perhaps you come from a poverty stricken background, maybe you were a foster child, or perhaps you were raised by a grandparent or single parent. Or maybe you come from a loving middle class or upper-middle class family with both parents. We all have our back-story, but it is now up to us to make the most of what we started with and then improve the situation for ourselves and for the next generation. As an elementary and middle school child I was eligible for reduced lunches at school. My parents were protective of me and never



told me about it and instead packed my lunch for me every day. They later explained that the cost of bread and peanut butter and jelly was minimal and they didn't want to feel hopeless or different. Not every family can do this, but they taught me independence very early on. They taught me the values that have helped me with my money and my career ever since. We are our own advocates, and we are the only ones advocating for us. It is up to us, not our teachers, coaches, or the government for that matter. Even if they try to help or want to help, they cannot help us as much as we can help ourselves.

There is one other thing that all those statistics tell us... we are not alone! No, I don't mean there are aliens flying around making crop circles. I mean, those of us who are in debt, who owe money on credit cards, student loans, mortgages and more – we are not alone. If you don't understand credit scores or how to make them better or what all they can affect in your life, then you are not alone there either! The real secret is that very few people have the time to understand all of this stuff because there is so much information and it is so confusing. But by the time you get through this workbook, you will realize that it is actually much simpler than people make it out to be.

### **What Can I Do About It?**

Did you realize that most people make over \$2 million during their working lifetime? Since most people earn around \$40,000 on average and work from about age 22 to age 62, that ends up being \$2 million! That means we are all



millionaires in the making. But then why do so few of us ever end up with millions of dollars in the bank? I mean, we have 40 years to invest our money, so its not like we have to save half of it just to come out to \$1 million.

So where does it all go. Well, for most of us, 27% of our income is lost to taxes and another 20% goes to debt throughout our lifetime! That means over \$400,000 is lost to debt for the average worker. We spend our entire working lives making the banks rich! But that still leaves us with over \$1 million. And the sooner we manage our credit and eliminate our debt, the smaller the percentage we will lose to debt payments and finance charges. That leaves more money in our own pockets. Money we can use for our families, vacations, sending the kids to college and investing in our future so we can have a comfortable -> or even an awesome retirement.

Your goal then is to keep more of your money. How do you do that? Seek advice form the right types of experts (such as The Money Professors). Don't get your advice about money from friends who are broke. So many people I know refer to what their friends tell them makes the most sense. Then when you press a little further, you find out these friends are all in the same situation. While I understand that misery loves company, it is success that creates real relationships. You also must be aware of how those who are helping you are being compensated. Be careful when you get your advice from banks, creditors, insurance companies, etc. Many of them are paid sales commissions, which means you have to carefully consider whether their financial advice is about your wealth or theirs.



## Section 2

### What is Credit?



### Credit is a Tool

Credit determines your access to borrowed money and so much more. It is not debt – because it is the access to borrowed money, not the use of it. You have to have credit before you can get into debt. In today's economy, knowledge is power. Those who have the ability to understand how to use their money, and more importantly how to keep it, will pull through one of the worst economies since the Great Depression.

*Credit is a tool that can build or destroy*

Our message is simple. Credit is a tool that can be used to create or destroy, just like a hammer. If you try to use credit without really knowing how, then you will be likely to destroy. You can hurt your own credit, hurt your



relationships, and hurt your chances for success. Everyone needs to know how to use credit, and when not to use it.

The analogy that I like to use is how winning in sports requires knowing the rules of the game, and having a good coach. If you are playing on a team where nobody else knows how to play, then getting advice from your teammates may actually hurt your game instead of helping it. If you have a coach who understands the rules, understands how to get better, and understands how the other team will try to beat you, then you have a real chance of winning. Of course you have to listen to your coach.



What do you think of when you hear the term credit? How does it make you feel when you hear it? Are you neutral to the word? Does it energize you or do you get uncomfortable when you hear it?

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## Credit Defined

Credit says something about as an individual. It doesn't necessarily say you are good or bad, evil or righteous; it says how you handle debt. Now it is true that so many others determine how much they are willing to trust you based on the way you handle credit. Let's take a look at the various ways credit affects your life:

### **Lenders**

Lenders are the most obvious. Lenders use your credit as a way to measure your risk. The better your credit, then the lower your risk to them. That means you are more likely to get a loan and to get a better or lower interest rate.

### **Banks**

We already mentioned lenders. But we were talking about getting a car loan, a personal loan, a credit card, a mortgage, etc. But what about something as simple as setting up a checking account at a bank or credit union? Yes, some banks actually check your credit score to determine if they will allow you to open an account with them. They may look at something called your ChexSystem™ report to see if you have a history of writing bad checks or other banking violations.



### **Employers**

Employers look at credit scores to see if they want to hire you. If you can't, or don't want to, handle your own money, then why would they think you would be interested in handling theirs correctly?

### **Landlords**

Landlords look at your credit as well. They want to know if you have a history of paying your debts on time. While rent is technically not a debt, landlords understand that rent payments are similar to debt in that they are obligated payments over a long period of commitment. This is very similar to debt. The more responsible you have been with your debt, the more responsible you are likely to be with rent payments.

### **Car Insurance Companies**

Car insurance companies now look at your credit to determine the type of person you are in terms of risk. People with good credit tend to wear their seatbelt and pay attention to the rules of the road. People with bad credit tend to be the opposite. They are not as interested in being responsible.

### **Dating Sites**

Yes, even some dating sites now pull your credit score to better match you with others. Someone with a really high credit score may not get along well with someone who has a poor credit score. A responsible person may end up not



being able to purchase a home if they end up marrying someone with really poor credit!

So how do all of these companies look at your credit and make this determination? They use your credit score.



Are you surprised by any of the entities that check your credit?  
Which ones?

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# Download the Full Version of the Book and:

- 🎯 You will have more money to spend every month
- 🎯 You will have less stress, which will make you happier and more productive
- 🎯 You will have a much more comfortable retirement
- 🎯 You will control your money instead of letting it control you
- 🎯 Your marriage/relationships will be better since you won't be fighting about money anymore

## You Will Get:

- 🎯 The complete 10-step method to raising your credit score, paying off your debt and improving your life
- 🎯 Practical tips to increase your credit score
- 🎯 All four DebtorADE™ strategies explained in detail with examples
- 🎯 Illustrations of how your debt will be turned into wealth instead of draining your income

<b>Want to know what credit really is and how it is used? <i>Page 15</i></b>	<b>The best approach to paying off debt? Fully explained on <i>Page 53</i></b>
<b>Want to know the most important aspect of the credit score? <i>Page 21</i></b>	<b>Why is getting out of debt so important? <i>Page 38</i></b>
<b>Want to know why you should have a credit card? <i>Page 27</i></b>	<b>A simple 10-step process to eliminate debt, and build wealth. Starts on <i>Page 47</i></b>
<b>Want to pay off debt without having to live like you are broke? <i>Page 75</i></b>	<b>Turn your current debt payments into millions of dollars by the time you retire! <i>Page 86</i></b>

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## Bonus Section

### Improve Your Life



### Family Matters

At this point, you are probably very excited. You can see the light at the end of the tunnel. You are ready to put your total plan together and get started on it this month. Maybe even tomorrow! But wait... unless you are single there is one more thing you have to do. You have to talk to your partner/family. Even if you are the 'One in charge' (or think that you) anything that requires a lifestyle change is a family matter. If you are accustomed to buying things for your kids on a whim and suddenly you pull them out of basketball camp or stop going to the movies every Friday night, your family is not going to be very understanding.

Imagine if your employer suddenly decides to start charging for coffee, deletes your health benefits, or makes you pay for your own paper and pens. Obviously, you would be one unhappy employee. Having unhappy employees



in a workplace is bad enough, but having an unhappy spouse or kids is even worse.

Now, if your employer came to you and explained that the health of the company required these changes and they were for the long-term survival of the company and in the end everyone would benefit with larger bonuses, etc. you would probably be at least a little more receptive to the sudden drop in benefits. The same thing goes for family. Your best bet is to have your partner read through this book and get an understanding of what it is you are trying to do. With kids, you simply need to explain to them why there are limited resources and that you cannot spend money you don't have. This may also be a good time to instill in your children why material things are less important than family and common sense. Of course the best way to teach your children the value of money is to show them by example, which is what you are about to do by following the principles of this workbook.

*The best way to teach your children about money  
is to show them by example*

If you try to do this on your own, without getting your partner to agree, you will be sacrificing on one side to try to pay down loan A, while your partner is charging on credit card B. In the end you will be getting nowhere (except



maybe divorce court!). If you need to compromise (your partner does not have the same vision that you do, and is unwilling to endure the next several years of focusing on debt reduction) then try this approach; after each debt is eliminated or each milestone reached; celebrate. Do not celebrate by borrowing a lot of money and buying something big. Perhaps you could be saving money in the bank along with your debt payment plan and the family will go on vacation after the first major debt is paid off. Maybe for the first few debts, since they will be smaller, you could celebrate smaller. Perhaps a trip to an amusement park or dinner at a fancy restaurant would make for a better incentive. Everyone is different, so do what works for you.

The point is, while you may be willing to live off of rice and noodles for the next seven years in order to pay off your debt in the quickest possible way, your family may not. You have to strike a balance. The key behind the first section of paying off your debt is to allow you to pay off your debt quickly without having to take away anything from your current budget to do it. Of course, if you are currently spending beyond your means, and getting further into debt each month, then there will be some sacrifice just by reducing your spending enough so there will be money left over to make your minimum payments and paying for all of your other needs each month without borrowing. At this point you only need to do two things.

- 1). Create a plan
- 2). Stick to it







The Ten Step Process to Eliminating Debt & Building Wealth	Aggressive	Moderate
Step 8 – Maximize your retirement contributions	Consider IRA, Roth IRA, etc. Seek professional guidance.	Consider IRA, Roth IRA, etc. Seek professional guidance.
Step 9 – Save for college education	Assume 100% of college costs will fall on you	Assume 50% of college costs will fall on you
Step 10 – Enjoy the fruits of your labor	Now, share your wealth and tell others how you did it!	Now, share your wealth and tell others how you did it!

## Debt to Dollars

Once you get to this stage of the game, congratulations! You have worked really hard and made some sacrifices to really get your finances in order. Now the real fun can begin for you.

Imagine having all of that extra cash each month! That’s right, the money that you earn from work is finally yours. Of course you still have taxes, health insurance, utility bills, etc., but you are no longer paying for things that you have already used. In this example, you have an additional \$3,000 to spend each month on *whatever you want*. Let me repeat that.... *On whatever you want*. Think about it. It used to be that you went to work to pay your taxes, utilities, mortgage, car payment, credit card payments, etc. only to come home



at the end of the week and have nothing to spend on things you wanted such as a well-deserved vacation, a much needed bedroom suite, or a new boat. Or maybe you just want to be able to spend money on things that are important to you such as college tuition for your kids or giving more money to your favorite charities. Perhaps you want to splurge on your daughter's dream wedding or help your son with his first home purchase.

Whatever it is you want to do with your money is up to you. It's your money... finally.

Many people want to invest all of their extra money, even if it is eventually to do one of those other things I just mentioned. Here is the great news. If you were to invest that money (\$3,000) every month for the three (3) years after eliminating your debt at a conservative 8%, you would have over \$100,000! That means (in our example) if you start this program today and you have a three year old child, you would be debt free and have \$100,000 to use to send your child to college by the time he or she was 18.

But if you could hold off just five more years you would have over \$360,000! If you look at the chart, it gives you an indication of how much money you would have, depending on the amount of interest earned and how long you invested it.



**Years After You Begin the DebtorADE Program**

Interest Earned	15	20	25	
3.0%	\$95,197	\$301,759	\$541,705	\$820,430
6.0%	\$98,895	\$339,721	\$664,561	\$1,102,720
8.0%	\$101,462	\$368,452	\$766,225	\$1,358,847
10.0%	\$104,114	\$400,300	\$887,618	\$1,689,400
12.0%	\$106,854	\$435,638	\$1,032,940	\$2,118,056

As you can see, in 25 years (assuming you did not pull money out to pay for college) you would have over \$750,000 saved. All in the same amount of time most “normal” people spend limping along paying off their mortgage and their other debt.

But what about the DebtorADE™ 50% Solution? What would that investment look like? Not too shabby. In year 20 you will have over \$60,000 in your portfolio. Why nothing in year 15? Keep in mind that with the DebtorADE™ 50% Solution, it will take about 17 years to pay off your debt, so you don’t actually start investing until a few months into year 17. Of course you will still have over \$200,000 in year 25, which is still a year earlier than you would have paid off your mortgage the good old-fashioned way.

**Years After You Begin the DebtorADE 50% Program**

Interest Earned	15	20	25	30
3.0%	\$0	\$60,492	\$165,857	\$288,250
6.0%	\$0	\$63,498	\$188,813	\$357,845
8.0%	\$0	\$65,609	\$206,392	\$416,137
10.0%	\$0	\$67,810	\$226,069	\$486,453
12.0%	\$0	\$70,105	\$248,118	\$571,514



And of course, here is your DebtorADE™ 50% Solution Plus. Over \$1 million if you have 30 years available. If not, then you can still have a quarter of a million dollars in 20 years at just 8%! Remember, that is not 20 years after you pay off your debt; that would be 20 years from today! That means while your neighbors are still paying down their home and other debts, you would be debt free AND have that much money invested.

**Years After You Begin the DebtorADE 50% PLUS Program**

<b>Interest Earned</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>
3.0%	\$52,438	\$218,342	\$411,058	\$634,921
6.0%	\$53,779	\$242,445	\$496,927	\$840,185
8.0%	\$54,697	\$260,422	\$566,921	\$1,023,557
10.0%	\$55,635	\$280,112	\$649,447	\$1,257,117
12.0%	\$56,592	\$301,694	\$746,970	\$1,555,902

Those numbers are amazing! See, the rich simply understand how money works. The rest of us were never really taught. So we work away all year long, barely surviving while the rich continue to get richer. But the thing is, they are not doing anything wrong. In fact they are doing everything right! Perhaps the only exception is that they are not sharing with you the powerful information that we are sharing in this workbook. If you are fortunate enough to have extra in your budget, then looking back at the super debt payoff section we mentioned adding an extra \$100 or \$300 or even \$500 per month to your



DebtorADE™. Just imagine how those investments would look! Well, you don't have to imagine, because we included those charts as well:

**Years After You Begin the DebtorADE \$100 Program**

Interest Earned	15	20	25	30
3.0%	\$121,713	\$339,025	\$591,459	\$884,690
6.0%	\$127,596	\$385,412	\$733,167	\$1,202,237
8.0%	\$131,720	\$420,880	\$851,683	\$1,493,513
10.0%	\$136,015	\$460,532	\$994,461	\$1,872,941
12.0%	\$140,489	\$504,910	\$1,166,954	\$2,369,686

**Years After You Begin the DebtorADE \$300 Program**

Interest Earned	15	20	25	30
3.0%	\$173,249	\$411,819	\$688,947	\$1,010,863
6.0%	\$184,507	\$476,131	\$869,488	\$1,400,068
8.0%	\$192,537	\$526,184	\$1,023,265	\$1,763,839
10.0%	\$201,017	\$582,966	\$1,211,392	\$2,245,346
12.0%	\$209,973	\$647,475	\$1,442,285	\$2,886,212



**Years After You Begin the DebtorADE \$500 Program**

<b>Interest Earned</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>
3.0%	\$223,500	\$483,121	\$784,701	\$1,135,022
6.0%	\$241,212	\$566,572	\$1,005,433	\$1,597,391
8.0%	\$254,028	\$632,490	\$1,196,341	\$2,036,391
10.0%	\$267,719	\$708,200	\$1,432,928	\$2,625,328
12.0%	\$282,352	\$795,301	\$1,727,174	\$3,420,103

At a modest 8% interest in just 20 years, you could have anywhere from \$400,000 to \$600,000+ in your investments. Keep in mind, these numbers don't even look at anything you have going into your 401K at work with matching contributions. These investments are IN ADDITION to anything you are investing at work. If you are 40 years old right now, you could easily have over \$1 million by age 65 just by using one of the advanced DebtorADE™ strategies. Becoming a millionaire is quickly becoming a reality.

## It's Your Money

Maybe investing is not really what you want right now. If changing careers has always been a dream but you could not afford to take a short-term pay cut or could not afford time off to take classes, etc. now would be the time to make that jump. In many cases, in order to change careers, people have to actually step backwards in salary and position in order to prove themselves in a new



industry. The problem is that we tend to spend according to our salaries. In other words, the more we make, the bigger our debts. We buy a bigger house with more expensive cars and more expensive clothes, so that we never allow ourselves any breathing room. Well I would say that in this scenario, we have opened up a lot of breathing room.

*As our income goes up, so do our expenses!*

Have you ever thought about starting your own business? For some of the reasons already mentioned, you have been unable to take the kind of necessary risks to start your own business. You did not have the funding to get started or the time to devote to it. Well, you now have several options. You can save money for a while to have a large start-up fund. You could continue your current position, but use some or all of that extra \$3,000 each month to really get your business up and running, until it can become self-sufficient (you make enough to quit your old job) or you could take a lesser paying job that allows you more free time so you can put the kind of effort behind your new venture that will really make it take-off.

Remember, here is another bonus. If you choose to run your business on the side until it becomes self-sufficient, your total earnings needed to quit your previous job is now \$3,000 less each month since you don't need that \$3,000 to pay for debt. That is like saying you could make \$36,000 less, AFTER taxes each year (Which means you could really make \$45,000 less before taxes) in your



own business and still make enough to quit your current job. Think about that for a moment. If you are making \$75,000 per year now, you could take a less stressful job or start your own business that makes just \$30,000 per year and still have the same lifestyle you were living while paying off all of that debt. I don't know about you, but I think that is a very powerful reason right there to want to get out of debt as quickly as possible.

*The government doesn't tell us when we can retire;  
they only tell us when they are willing to help us out.*

Finally, I like the idea of early retirement (who doesn't?). Do you know why most people do not retire until they are in their sixties? It is because they spend so much effort paying for debt throughout their life that they don't have enough to put away for retirement. Too many people think they should just go through life and work until the government says they can retire. I have news for them... the government doesn't tell you when you can retire. The government tells when they will start supplementing your retirement with income and health care. If you can afford those two things on your own, you could retire today. There are plenty of volunteer opportunities out there to keep you busy when you are not gardening, traveling, or just relaxing.





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# Workbook Data Sources

## Section 1

Credit card debt statistics -

<http://www.creditcards.com/credit-card-news/credit-card-debt-statistics-1276.php>.

Accessed 8/15/2015.

Total U.S. Auto Lending Surpasses \$1 Trillion for First Time -

<http://www.wsj.com/articles/total-u-s-auto-lending-surpasses-1-trillion-for-first-time-1439478198>. Accessed 8/15/2015.

Mortgage Debt Outstanding -

<http://www.federalreserve.gov/econresdata/releases/mortoutstand/current.htm>. Accessed 8/15/2015.

American Household Credit Card Debt Statistics: 2015 -

<https://www.nerdwallet.com/blog/credit-card-data/average-credit-card-debt-household/>.

Accessed 8/15/2015.

Congratulations, Class of 2015. You're the Most Indebted Ever (For Now) -

<http://blogs.wsj.com/economics/2015/05/08/congratulations-class-of-2015-youre-the-most-indebted-ever-for-now/>. Access 8/15/2015.

How much do Americans earn? Average income data for individuals and households.

Stagnant income growth for American families. - <http://www.mybudget360.com/how-much-do-americans-earn-average-income-data-wages-earnings-stagnant/>. Access 8/15/2015.

The Institute for College Access and Success. The Project on Student Debt. Project on

Student Debt – State by State Data - <http://ticas.org/posd/map-state-data>. Accessed 8/15/2015.

## Section 2

No outside Data



### **Section 3**

What's in My FICO Scores -

<http://www.myfico.com/crediteducation/WhatsInYourScore.aspx>. Accessed 8/15/2015.

### **Section 4**

No outside data

### **Section 5**

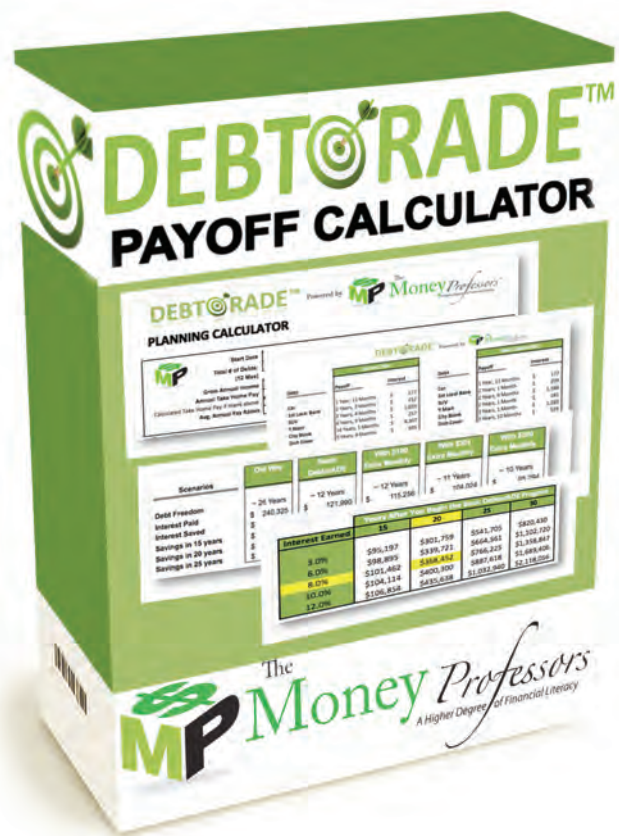
No outside data

### **Section 6**

Data calculated using DebtorADE™ Payoff Calculator. Income assumptions are \$70,000 annually and \$49,000 take-home pay. Annual income raises of 3%.

### **Section 7**

Data calculated using DebtorADE™ Payoff Calculator. Income assumptions are \$70,000 annually and \$49,000 take-home pay. Annual income raises of 3%.

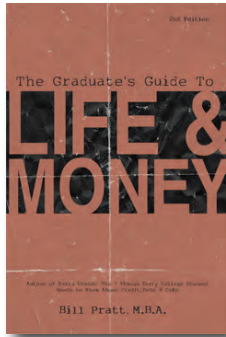


If you want to get the most out of your workbook, you will want to use the DebtorADE™ Payoff Calculator. It does all of the math work for you AND it shows you month-by-month how much you will still owe so you can track your progress. It's like having your own financial counselor coaching you along the way!

Visit us online at [www.TheMoneyProfessors.com](http://www.TheMoneyProfessors.com) and click on DebtorADE!



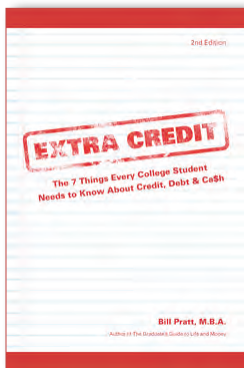
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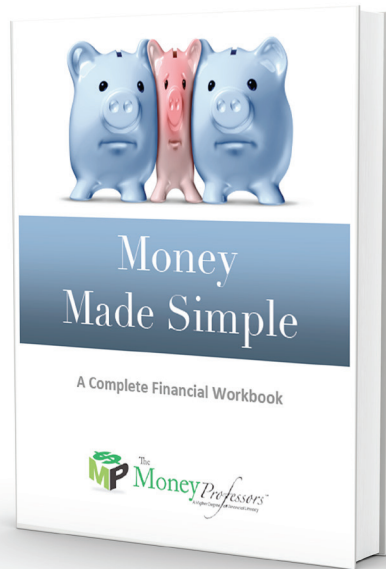
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