

# Snowball or Avalanche?

## Choosing the Best Debt Repayment Strategy

There are two effective methods for tackling debt:

### Snowball

Pay off the smallest balances first.

### Avalanche

Pay off the highest interest balances first.

#### How It Works

Make minimum monthly payments on all debts  
Put extra payments toward smallest debt  
Once paid off, make payments on next smallest debt  
Continue until debt-free

Make minimum monthly payments on all debts  
Put extra payments toward highest interest rate loan  
Once paid off, make payments on next highest interest rate loan  
Continue until debt-free

#### Pros

Satisfying to pay off debt quickly  
Keeps you motivated

Saves more in interest long-term

#### Cons

Pay more in interest long-term

Longer wait to see the first debt paid off  
Less motivating

#### Who It Works for

People who are motivated by seeing results quickly

People who excel at meeting long-term goals without immediate results

## Start paying off your debt today.

A financial professional can help you tackle your debt in alignment with your goals.