RAMSEY
BABY STEP 2
Tracker
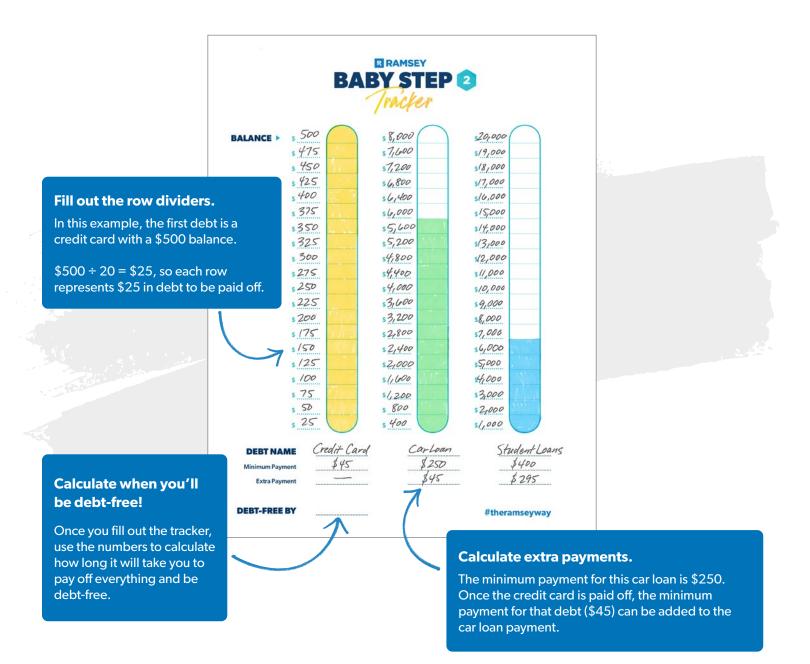
The Ramsey Baby Steps

Once you decide to take control of your money, you need a realistic plan that works. That's why Dave Ramsey created the 7 Baby Steps— a clear, proven path that has helped thousands of people pay off debt and win with money. In this step, your goal is to pay off all of your debt using the debt snowball.

How to Use the Tracker

Start by listing all your debts except your mortgage. Order them by balance from smallest to largest—regardless of interest rate. Pay minimum payments on everything but the little one. Attack that one with a vengeance. Once it's gone, take that payment and put it toward the second-smallest debt. Continue to do this for each debt until you knock them all out. Most people are able to complete Baby Step 2 in two years or less, but this can vary depending on how much you owe. This part isn't going to be easy, but it's only temporary. When you start to feel discouraged, think about how much better your life will be when you're debt-free!

Step-by-Step Instructions

1. For your first and smallest debt, list the debt name, minimum payment and balance.

2. Take the balance and divide it by 20. (This is how much each space will represent.) Fill out the row dividers, starting with the current balance at the top, subtracting until you get to zero.

3. Repeat this process for your remaining debts. And if you have more than three debts to pay off, just print multiple sheets!

4. Once you've paid off your first debt, calculate your extra payments. The extra payment is the minimum payment from the debt you just paid off.

5. As you start paying off debt, fill in the spaces to track your progress. Remember to track your balance, not your payments, since part of your payment will include interest.

6. When in doubt, stay gazelle intense and just . . . keep . . . going. You can do this!

R RAMSEY
BABY STEP 2
Tracker

BALANCE ▶

$ 500	$ 8,000	$20,000
$ 475	$ 7,600	$19,000
$ 450	$ 7,200	$18,000
$ 425	$ 6,800	$17,000
$ 400	$ 6,400	$16,000
$ 375	$ 6,000	$15,000
$ 350	$ 5,600	$14,000
$ 325	$ 5,200	$13,000
$ 300	$ 4,800	$12,000
$ 275	$ 4,400	$11,000
$ 250	$ 4,000	$10,000
$ 225	$ 3,600	$9,000
$ 200	$ 3,200	$8,000
$ 175	$ 2,800	$7,000
$ 150	$ 2,400	$6,000
$ 125	$ 2,000	$5,000
$ 100	$ 1,600	$4,000
$ 75	$ 1,200	$3,000
$ 50	$ 800	$2,000
$ 25	$ 400	$1,000

DEBT NAME

Credit Card	Car Loan	Student Loans
$45	$250	$400

Minimum Payment

Extra Payment

| — | $45 | $295 |

DEBT-FREE BY

#theramseyway

Fill out the row dividers.

In this example, the first debt is a credit card with a $500 balance.

$500 ÷ 20 = $25, so each row represents $25 in debt to be paid off.

Calculate when you'll be debt-free!

Once you fill out the tracker, use the numbers to calculate how long it will take you to pay off everything and be debt-free.

Calculate extra payments.

The minimum payment for this car loan is $250. Once the credit card is paid off, the minimum payment for that debt ($45) can be added to the car loan payment.

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BABY STEP 2 Tracker

BALANCE ▶

Column 1	Column 2	Column 3
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....
$	$	$ ....

DEBT NAME ....

Minimum Payment ....

Extra Payment ....

DEBT-FREE BY ....

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THE 7 BABY STEPS

BABY STEP 1
Save $1,000 for Your Starter Emergency Fund

BABY STEP 2
Pay Off All Debt (Except the House) Using the Debt Snowball

BABY STEP 3
Save 3–6 Months of Expenses in a Fully Funded Emergency Fund

BABY STEP 4
Invest 15% of Your Household Income in Retirement

BABY STEP 5
Save for Your Children's College Fund

BABY STEP 6
Pay Off Your Home Early

BABY STEP 7
Build Wealth and Give

Ready to crush your debt pay-off goals?

FPU will help make your goal a reality. Financial Peace University teaches you the trusted, proven plan to pay off debt fast, save for the future, and build real wealth. Check it out!