# Paying Off Debt

Money

Two ordering strategies, and the honest trade-off between them.

## Avalanche — highest rate first

- Pay minimums everywhere
- Everything spare at the highest APR
- Mathematically cheapest
- Slowest first win
- Best if you are motivated by numbers

## Snowball — smallest balance first

- Pay minimums everywhere
- Everything spare at the smallest balance
- Costs slightly more in interest
- Fast, visible wins
- Better completion rates in some studies

**THE DIFFERENCE THAT MATTERS**

**The difference in total interest is usually modest. The difference in whether people finish is not.**

**General education, not financial advice. Either beats spreading extra payments evenly across everything.**