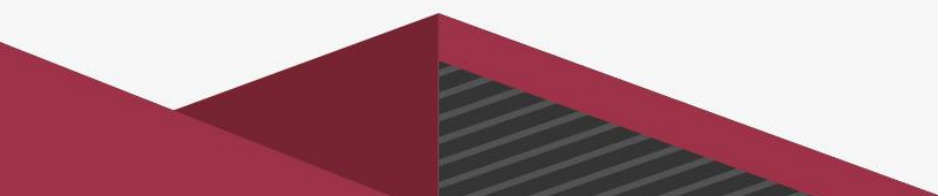




## **Too Much Debt?**



# Too Much Debt?

With Central bank in the US starting to talk about increasing rates how does this change your current and future position? Excessive amounts of financial debt have become a common and often crippling issue for many people in recent years. Below are discussed some of major effects or consequences of having too much debt and the process by which a financial planner will help you to get rid of this issue in a smart way.

## Major consequences of debt

### 1. Will affect your credit history

This is certainly one of the major effects that you will have to face for having excessive amount of debt. If you have availed various types of loans from different banks and have not repaid it then it will certainly have a negative effect on your credit rating.

### 2. Unable to get credit from financial Institutions

This is also one of the major ill effects of having too much debt. Most financial Institutions do not consider approving the loan application of customers who have a bad credit score.

### 3. Risk of losing your asset with secured debt

A major consequence of having excess amounts of debt. If you have borrowed excess amount of money as secured debt and are unable to pay it off within the stipulated period then the bank has the right to take away the collateral security.

### 4. Will affect your purchasing

Another major affect that you will be able experience on availing lots of debt. Your purchasing power will get reduced because the major amount of money that you will be earning on a monthly basis will be used in paying off the interest on total loan amount.

### 5. Will affect your health

Sadly, large amount of debt is also one of the major reasons behind various types of heath issues. If you are not able to pay off the loan amount within the stipulated time then this can result in depression and anxiety. According to a recent survey, it has been found that excess amount debt is also one of the major reasons behind stress in relationships.

In order to get rid of this issue that best possible way is to pay off the debt amount in an adequate manner by consulting a financial planner.

## How a Financial Planner can help...

Below are discussed some of the unique steps by which a financial planner can help you to manage your debt in a smart way.

### 1. Make a list of debts

Firstly, a financial planner will make a list of debts that you owe to various lenders and financial institutions. He will adequately calculate the amount of principal and interest that needs to be repaid.

### 2. Make a budget that highlights monthly expenses

A professional financial planner will also prepare a budget that will highlight the expenses made by the client on a monthly basis. This will help you in determining whether the expenses made on a monthly basis are all viable in nature.

### 3. Help you in prioritizing your expenses

This is also one of the major duties of a financial planner. He will help in prioritizing your expenses and thereby make you aware about the unnecessary expenses made on a monthly basis. These are certainly the expenses which you can avoid in order to save valuable amount of money in a smart way.

### 4. Help in paying off debt in systematic manner

The financial planner will also help you in setting up a debt plan to pay off the loan amounts. This will help you in prioritizing the debt amounts and thereby pay it off in an adequate way.

### 5. Help to set up a goal

This is also one of the vital reasons due to which many people consider hiring financial planner in order to manage their budget. The financial planner will help you in setting up a goal and thereby educate you to spend your valuable money in a viable and effective way. She will provide you vital tips on various ways to save lots of valuable money and thereby pay off the debt amount within the specific time period.

### 6. Help you to manage your finances

This is certainly one of the major benefits that you will be able to experience on hiring a financial manager. She will also help you in analyzing the best possible way to manage your investments in a smart way and thereby save money to pay off the various debts.

Do you want to move forward in your life and leave your bad debt behind? These are some of the major ways by which we can help you to get rid of your debt. Make sure you visit [www.shartruwealth.com.au](http://www.shartruwealth.com.au) today in order to manage your personal budget in a smart way. We have many years of experience in this area and will certainly help you in the best possible way.