

# Val Breit

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It is great to be with you grads. I am so excited to talk today about the three strategies that you need to know to get rid of your student loans fast. Let's face it adulting is hard, and adulting with student loans is even harder. But you don't have to look back at your college debt choices with sorrow or regret for the next 10 or even 20 years. My mission is to help grads like you look at your future and see brightness, I am fell bright after all. To do that, I will share with you my personal experience getting hired after college, how I destroyed my pile of student loans on a teacher's salary, and then completely changed careers to earn a lot less money. After just five years. Like many college students, I knew I wanted to go to college and get a degree or two to have the best shot at landing a job that I enjoyed and would help support my family. But like many students, the only way I knew to afford college was to take out lots of student loans. I really didn't understand what I was getting into. I didn't understand how compound interest work, or what the repayment plans were all about. I certainly didn't know that if I wasn't careful about how I repaid my loans, I could end up paying double what I borrowed. That's why I decided I had to start sharing with new grads, the three strategies that you need to know to get rid of those loans fast. Here are the three strategies that worked wonders for me. First, know your numbers. Second, know where your money goes. And third, know how to say no to average. When you know your numbers, you're not accidentally creating a huge financial mess. After college. When you know where your money goes, you're not left wondering where it all went. And when you know how to say no to an average life, you can live a life you love. instead. Let's dive deeper into those three simple, yet effective strategies. The number one is the most critical knowing your numbers. I admit, when I took out all my loans for college, I did not look very carefully at the paperwork. It was kind of boring, and I just filed everything away to deal with later without processing what it really meant. However, when I started graduate school, before I could get student loans to help pay for

my tuition, I had to select my own lender for the first time while I was in my bedroom, trying to make sense of all the financial jargon. Really just trying to figure out who would give me enough money to finish school. I finally came across the chart that stopped me dead in my tracks. Pretty sure I looked something like this. You see, I was estimating to borrow about \$50,000 in student loans. So I kind of thought I would only have to repay \$50,000 this chart however, told me if I borrowed \$50,000 it would cost me nearly \$100,000 to repay I still remember that feeling. It was like I got punched in the stomach. I was going to school to be a public school counselor there on the teacher's salary. My starting salary would be around \$35,000 per year, and it would cap around 65,000 only after decades of service. I frantically wondered how was I ever going to repay \$100,000 on a teacher salary and have any kind of life



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I had thought foolish or not Then if I worked hard in college, did all the right things to get a job, and was a hard working employee that I'd have a comfortable life, I'd finally have a nice car, be able to travel, buy a nice house, and quite frankly, stop eating ramen noodles. But when I looked at that loan repayment chart, my dreams are shattered, I honestly started crying, I went to talk to my mom, about how I'd never be able to repay these loans. So if you've had that same thought, you're not alone. as sick as that whole experience made me feel about the debt I was taking on. It was also the game changing moment for me. I no longer could plead ignorance about the debt I was starting my adult life with. I had dug myself a hole, and it was up to me to dig myself out. You have to know what kind of hole you're in before you can get yourself out. So the first step to getting rid of your debt of any kind, is to know your numbers. Now, many students know one or two of the important numbers, but there are actually four that you need to know. First is how much debt you have. What is your total student loans? Second, what repayment plan are you on? And how much will you be paying each month? These are the numbers that many grads know. But you have to know more to get the whole picture. The third is what is your interest rate. This is critical to know if you should refinance. And in order to know number four, the most important piece to the puzzle. With your chosen repayment plan, how much will you repay total, with interest in the end, this was the number that changed the outlook on my loans, and any debt forever. By using a loan repayment calculator, such as the one at [student loan hero.com](https://studentloanhero.com), you can easily compare how much you will repay. If you pay off your loans in three years, five years, 10 years, or even 20. No matter how much debt you have. You have to know these numbers before you make critical decisions about which job you're going to take how much you need to earn. And if you want to take out more loans for things like a new car, or new furniture. Without these numbers with you can avoid accidentally creating a massive financial mess as you leave college and start your adult life. Second, know where your money goes. When I was in college, I did not create a

budget. Sure, I paid all my bills on time. And I like to keep a little buffer in my checking account. But sometimes my credit card bill was a little higher than I expected. Or my checking account was smaller than I expected. And I really wasn't sure where that money went. When I decided to get intentional about getting rid of this debt as fast as I could. So I didn't have to waste 1000s of dollars for dealing with it for decades. I started listening to a podcast called the Dave Ramsey show. This guy if you've never heard of him, he preaches about budgeting and living debt free. And he has this one thing that has always stuck with me. Because if you don't tell your money, where to go, you'll wonder where it went. It's so true. I couldn't say it better myself. He's referring to keep creating a plan for your money through a budget. Wherever you have money coming in from whether it's your college job, a summer job, or your dream job. You know, you need to earn money to buy food, pay rent, and repay these student loans. But if you don't create some sort of plan, telling your money, where to go and where not to go, you'll always run out of money. There will never be enough. You'll always find other things to spend your money on instead of using it to get rid of your debt.



09:54

I've been free from my student loans for three and a half glorious years now. And I still create a budget like this every single month. It's not because I'm hustling away student loans anymore. But it's because it's the only way I can be intentional with how I spend my money. And when you read or listen to people with inspiring stories, who did what seems impossible, they pay off massive amounts of debt in short amount of times. Listen for the common factor. They budgeted. They were not careless with the money that they earned, no matter how big or small, however much they earn, they spent it with intention. So the second key to eliminating your student loans fast is to know where your money goes, know how much you earn, know how much you spend, and know what categories you're spending it on. And if those are really what's most important to you. It's so easy to create a lifestyle of financing and living up borrowed money. But really, you will create a stressful situation at home and at work. You'll always be behind financially, trying to dig yourself out of this hole. And no employer wants to hire someone who's stressed to the max buried in debt. Some employers even do credit checks to learn about people's financial habits before hiring them. Because it's common knowledge that your stress level and attitude and focus on work. They're all affected by your finances. So after college, as you're starting your adult life, avoid the temptation of adding even more debt to your student loans. Know where your money goes, and spend it with intention. And the third know is how to say no, to average. To put it bluntly, I'm not totally normal. I'll be the first to admit this. I'm weird in a lot of ways, including how I handled my student loans. Most people I graduated college with and more money than I do. But yet they're still struggling trying to pay off their college that years later. How can that be? It's quite easy actually. debt is a

habit. That's it. It's making daily choices to spend more money than you earn, no matter how much you earn. People can make tons of money, and they can still be buried in debt, wasting 1000s of dollars on interest, because they're just making minimum payments, passively waiting for that final payment date to come along. And it's usually because they just don't understand the numbers. But when I saw the full picture, I knew all my numbers and where my money was going. I saw how much money I would waste. If I stayed on the average route. If I stuck with the standard repayment plan, or made just the smallest payments I could get away with each month. I said no, to be an average. All that information helped me say no to the car loans, no to the credit card debt, no to financing new furniture, no new flashy car, and no closet full of expensive clothes. I said no to all of that. And what did I get in return? I paid off over \$42,000 in student loans at almost 7% interest rate in just 34 months on a teacher's salary. When I made my final payment to Sallie Mae, I honestly thought confetti was going to shoot out of my computer to celebrate my victory. I was that bump. But it didn't it process just like any other payment. Like it was no big deal.



14:42

So I took this screenshot, added a bunch of red arrows and said boom out of here Sallie Mae to celebrate and approve I had zero balance. I had done it. I didn't owe another dime. And here is a visual chart to show how much you would repay. If you had \$42,000 in student loans, that you chose to pay it off in three years, 10 years, or 20 years, which was the standard repayment plan, they put me on after I consolidated. By knowing these numbers, knowing where my money went, and saying no to an average life, I saved over \$30,000 in interest. For the same degree, it's all just interest in considering I only earned \$36,000 per year, before taxes, insurance, and retirement, these choices saved me an entire year's worth of work. I knew there was a lot more I wanted to do with that \$30,000, then flush it down the toilet in interest fees. And you, you're free to make these choices to the thing is, you don't have to earn a ton of money to eliminate your student loans fast. But you do have to be intentional about spending your time and your money on the things that are most important to you. And believe it or not kicking Sallie Mae out of my life, and saving \$30,000 in interest was so amazing. But honestly, that wasn't even the best part of my story. You see, after college, I worked as a school counselor for five years. I liked a lot of things about my job. But it was pretty stressful. I was dealing with crisis situations and constantly putting out fires with kids all day at school. I had no idea after we had our first child that I'd want to stay home with her bad, like, super ridiculously bad. I mean, look at her. I got to stay home for a short maternity leave. And after it was over, I cried on the way to work almost daily. I hated knowing that I was paying someone else to be with her all day. When that was all that I wanted to do. I hated that I was exhausted by the end of a

work day. Each night. I felt like she was only getting me when my tank was empty. I wanted to be mom all day. To experience her milestones teacher comfort her and shape her before she got big and going off to college chasing her own dreams. My coworkers told me they understood they had felt the same way and that I get used to it. But deep down, I knew I would have to live with regret. If I chose to stay in my career and miss out on these childhood moments. But being a stay at home mom does not pay the bills. At first, my husband and I thought there was no way we could afford for me to be a stay at home mom. I was earning 60% of our income and providing the insurance for our family. But the feeling of regret, and the tears, they didn't go away. This was no longer my dream life and my dream career. It took a few months of analyzing our budget, and getting even more intentional about where we spent our money. But after just four months of my daughter being in daycare, I resigned and I left that job. During those past five years, while we are both working, we had eliminated a combined \$60,000 of student loans, avoided credit card debt, avoided car payments, and only have a small mortgage. We had built a comfortable savings. And because of our intentionally simple lifestyle, we figured out I could finally leave my job for good if I could earn just \$1,000 per month from home.



19:39

Well, it hasn't always been easy or glamorous. I'm now living my dream life. Because we wiped out our student loans so fast. There is no way we could have afforded the pay cut if we had to student loan payments on top of all of our other bills. And now, I'm a stay at home mom of two little ones, my daughter just turned three. And my son is almost one. I get to experience their milestones, and explore with them every single day. It's so ironic that this is my life. Because I am such a planner. Obviously, I had no intention to go \$42,000 into debt, spend six and a half years to get my master's degree, and then become a stay at home mom. I had no clue I would ever write a book, edit a book for a New York Times bestselling author, manage a blog that gets over 100,000 visitors per month. I never thought I would start the common sense club, or find so many legitimate ways to make money online. None of this was part of my plan. It was not part of my college education. But it's honestly, it's my best life. I am living without regrets now. Because my time and money are being spent on what's most important to me. And your dreams, no doubt will look different than mine. But you do have dreams, and you will have dreams. And who knows what they're going to look like five years from now. And the big question is, will you be free to go after them? Or will you be shackled by debt? Will you be stuck in a job you no longer want. Because you need the money to make all your debt payments. If you don't want to be average, then start making different choices today. choices that you will love yourself for five and 10 years down the road. It's really not that far away. It starts with knowing all of your numbers, creating a plan and knowing where your money goes. And saying no to an average life and excuses. Average doesn't lead to

incredible stories. But those who really want it. Those who are intentional. They annihilate their debt. Despite all the obstacles, they create lives they love. And they're free. Now hear me when I say money itself does not buy happiness. But it does buy choices. I was free to make the choice to leave the job I no longer wanted and earn far less money doing what I really want to do. Because we made choices, and made sure our calendar and our bank account matched what was truly important to us. We wiped out our debt, and didn't pack on new debt to finance things. And you too, can create a life where you spend your time and money on the things that bring you the most joy. Your light will shine and everyone around you will notice your happiness. If you're still with me, and listening to this, here's what I know about you. You don't want to average you don't want to waste \$30,000 or more in interest. You want your student loans gone fast. you're craving a debt free life, a life full of wealth and joy. So start today with the three keys to a brighter future without your debt. We know adulting with student loans is hard. But we also know you get to choose how fast you'll get rid of them. Because a life of wealth happens by choice, not by chance. If this is common sense to you, then I'd love to personally invite you to join the common sense club where money's Made Simple.



24:30

My blog is the common sense club.com and I created a debt destruction toolkit exclusively for you grads. It will give you the tools you need to destroy your student loans fast, including a cheat sheet, a checklist, everything you need to eliminate your debt one step at a time. Simply go to the common sense club.com backslash grad career festival, all one word. As part of the debt toolkit, you'll also get my personal budgeting template, which I use to take control of my money and tell it where to go. I'll also give you my ebook on how to start making money online completely free. If you want to make extra money on the side, or if you haven't landed your dream job yet. There are lots of ways you can earn money from home. Things you can start today. Finally, you can follow along with my common sense shenanigans on Facebook, Twitter, Pinterest, and I finally joined the 21st century and hopped on Instagram. Last, but certainly not least, if you want the complete step by step plan that I use to pay off over \$42,000, in less than three years, you can find my book on Amazon. It's available in Kindle or paperback. So grab whatever copy you're most likely to read a news. It's straightforward, easy to follow, and definitely worth the hour to you'll spend invested reading it. You can see from the reviews how people with student loans are using this simple, proven plan to get rid of their debt, and completely change how they're handling money. They're saying things like top five books about money and debt management, inspirational step by step guide to quickly eliminating student loan debt. My personal favorite a must read for anyone with that, I felt so overwhelmed with the amount of debt that I had. And by utilizing the skills I learned from this book, I've been able to pay off one of my husband's student loans. And I'm very close

to paying off two more of my I love reading reviews like that. I appreciate your valuable time. And no matter where your path leads, I hope you are intentionally designing a life you love. And I hope to see you in the common sense club. Back to you, Dan.



27:28

Wow, Val bright, thank you for writing the book, pay your student loans. First, you have an amazing story, you're leading by example. And I'm looking at your chart again. Where in if you had waited 20 years, you would have paid almost \$77,000 on your \$42,000 loan. Thanks for setting an example, and given us some inspiration on that. And we've got a lot of questions coming in. First off is just get a general idea of what our rates available now for me to refinance my student loan, what's a good rate?



28:06

Well, I've heard my rate was at about seven and I didn't know about refinancing. That's the one regret that I have. But I know people are getting rates more around five or under percent now.



28:22

That's terrific. So what is the first step to go through the process of a refinance, who you have to what reach out there may be 10 2030 companies?



28:34

Well, I, I haven't used them personally. But student loan hero is a great resource. I also wrote about on my blog I wrote about so phi s o F phi, because I have a personal friend who used that and got a much better rate. He was a lawyer, so you can imagine his student loan file that he's working away at. So I personally know somebody was used. So phi, I've also heard good things about credible. And those are two companies that I would say are valuable resources to look out checkout.



29:14

And I think we need to remind the audience to is that when we go through a student loan refinance, they're actually going to look at your credit rating to which will somewhat determine what your interest rate will be. So it's going to be important that if you're still in



the process, just graduating, still work on keeping your credit score up because that will help determine your interest alone and who will pick you up in a refinance.



29:44

Yes, then same thing when it's time to possibly apply for a mortgage. You definitely want to keep your credit rate up by paying down your debt on time and fast.



29:59

So Val, it's so easy. You're just starting your career, you're you probably don't even have a job yet, or you're working that part time job. And your alumni association is now sending you requests for contributions. And you're looking at, am I gonna pay \$300? a month, \$400 a month, or the 150? It's really easy to take that lower number and throw it out there. How can we pinch yourself and remind yourself that there's a difference between the 46,000 you're gonna pay and the 77,000, you would have paid if you pushed this off? 20 years?



30:40

I know that is so easy to do. That's why that final number, I, it's so important to know your number. It's easy to see somebody else's number and still think, well, that's their number. So if you go through the process yourself, and find out your numbers, what is your three year repayment plan? What would you pay on? If you extended that to 10 years or 20? What are you going to pay, and honestly paste in it, like printing it writing out a post it note, putting it on your fridge or your desk? That was what I had to do to remind myself when things got tough. And when I wanted to go on spring break to Cancun, like my coworkers were or when I wanted a nicer car. It wasn't easy. But when I saw the number of \$30,000, that I was saving, that I had a post it note on my desk that kept me motivated. And I found other people who had the same mindset and supported it. So that's another strategy that you can use is to find other people, whether they're your family or friends. If not, then you can find people online that have a light mindset, and that are trying to get rid of their debt too. So those are some strategies that can help you avoid the low payments. Now, when you have the big picture goals in mind,



32:18

that's a great idea. You know, I don't want to say it's the same as joining a program where



you have 12 steps, but you're suggesting that we reach out to other people at MIT what we're going to do, and then use them as kind of a support to make sure we stay true, because it's takes an amazing amount of discipline, with all of the commercials, and the advertisements and things that are telling us that we should be living spend spending crazily in our culture today.



32:53

That's so true. There's ads everywhere, even social media now is bombarded with ads of things that you should buy. So having a support group to, you know, like, just friends or private Facebook groups, or even people that you can email or create a Skype call or in person classes with other people in your community. All that accountability can help you avoid the temptations that we are surrounded by it's hard.



33:24

And certainly subscribing to your blog will give you weekly or on occasion updates and information to keep you on track. Now there's some different opportunities available to pay a small amount over a number of years and I go back to my brother Ron who decided at age 50, to go back and get a college degree and then go to seminary school, and, and have a great amount of debt. In his particular case, he's looking at extending in paying the minimum amount because after I believe 20 years or so, the rest of the debt goes away. So there are some options out there for individuals in specific kind of career paths that maybe that minimum will work. In your particular case. You saw that \$30,000 you didn't see yourself in a career where that would go away. So it was the right decision for you.



34:25

Yeah, I I am. I don't trust those plans to be around long term. I guess it was too risky. For me as a public school employee, I actually could have potentially qualified for some forgiveness, but there are some requirements for those that are hard to meet and it almost is guaranteed to keep you in debt for a long, long time. So I know it is tempting, and it could work. But for me, I wasn't willing to take that risk. Because I mean, one one law, something could get passed in Congress and, and that's just gone and your debt still there, it doesn't go away with it. So that is an option. That was not one that I chose to pursue.



35:21

Although I could validate that as my brother did tell me that once he went through all the paperwork, he ended up with someone telling him that, well, this is our best guess now be here, things can change laws can change. So yeah, you're exactly right. And that's a pretty good tip. Now, before we go there, just a reminder, there are some new programs that are out there available. For grads, individuals who want to refinance their student loans. Were in the company that they apply to, they could ask that company if they participate in a program where the company contributes X dollars to their principal, on a monthly basis, so firm, like gratify is an example where the company handles the payment program for a participating company. And when they I'm hired it at that, let's say you're a company, you will pay \$50 a month or \$100 a month to my student loans, which reduces the principal. It's taxable to me, but it's something that if you're looking for a job, ask the company to have a student loan repayment program, and that could you know, to a company \$50 a month isn't going to kill them \$100 would be even greater, but ask as part of your salary negotiation.



36:52

great benefit package that and the only way they know a lot of the only way they'll know that that's something employees want is if you ask so the worst they could say is no but I love that.