Here’s a POWERFUL formula that will speed up the process, lower your debt, quickly free up your cash flow, and is backed by science. It’s called the Cash Flow Index – an amazing formula created by a real-life rocket scientist, Dale Clark.

And the measurable results are stunning!

Here’s what you do:
First, gather ALL your loan statements, including credit cards, auto payments, and mortgages. You only need to write down two numbers from each statement:

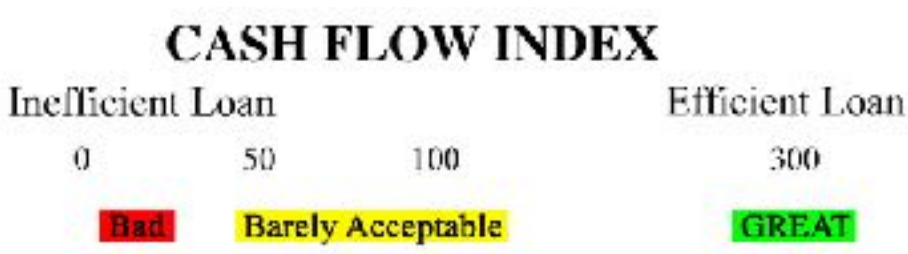
1. The remaining balance of the loan.

2. The minimum payment.

Next, plug those numbers into this formula:

Cash Flow Index = Your Balance / Your Minimum Payment

Your balance divided by the minimum payment equals the cash flow index. Run this formula for each loan you have and write the Cash Flow Index number next to it. Then compare each one on this chart:



If the number is low, it’s inefficient. If the number is high, it’s efficient. It’s a good rule of thumb to keep your loans above 100.

For example, let’s say you have the following loans:

A) Visa with a $3,333 balance and a minimum payment of $135.00

B) Student loan with a $75,000 balance and a minimum payment of $500

Which one do you pay excess on each month?

Example A Cash Flow Index score: 3,333 / 135 = 25
Example B Cash Flow Index score: 75,000 / 500 = 150

Thus, by paying down the inefficient Visa loan first, you get closer to increasing your cash flow more quickly.

If most of your loans are in the “Bad” and “Barely Acceptable” areas on the chart, Equiti can help you with other strategies as well. Every situation is unique, so we’ll dig in to see your whole picture before making any recommendations.

The point of this is to bring clarity and help you discover ways in which you can free up precious cash flow on an ongoing basis.