

CHANGE  
YOUR LIFE IN  
JUST 3 HOURS!



# ESCAPE FROM DEBT

MAKE A PLAN  
TAKE ACTION  
GET HAPPY  
& LOVE YOUR LIFE!

TIM WILLIAMSON

# Escape From Debt<sup>®</sup>

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First published 2010 by Wrightbooks  
an imprint of John Wiley & Sons Australia, Ltd  
42 McDougall Street, Milton Qld 4064

Office also in Melbourne

Typeset in Berkeley LT 12/15.4pt

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National Library of Australia Cataloguing-in-Publication  
entry:

Author: Williamson, Tim (Timothy Andrew), 1974-

Title: Escape from debt: make a plan, take action, get happy  
and love your life! / Tim Williamson.

ISBN: 9781742469584 (pbk.)

Notes: Includes index.

Subjects: Debt.

Finance, Personal.

Dewey Number: 332.02402

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Cover design by Xou Creative

Cover image © iStockphoto.com/gabyjalbert

Printed in Australia by McPherson's Printing Group

10 9 8 7 6 5 4 3 2 1

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Also by Tim Williamson

*Escape from Smoking*

## **About the author**

Tim has flown as a commercial pilot in three countries. He is an experienced business owner, fitness coach, martial arts instructor and masseur with a passion for health, fitness and teaching.

A car accident in 2002 saw him grounded from flying and unable to continue fitness coaching, so he has since studied many different areas of business and personal development. He is a former bank employee and debt collector.



## **Acknowledgements**

I would like to thank my partner, Nicole, for her wonderful support. I would also like to express my gratitude to the great team at John Wiley & Sons, Australia, and to you, the reader.

# Introduction

Whether you have a lot of debt or just a little, I'm going to show you what it means to your cash flow and, ultimately, to your life, to have unnecessary drains on your finances. I'm going to give you the tools you need to free yourself. By understanding how the world of finance works, the marketing and human behaviour, not only will you be able to escape from debt and start living the life you want, but you will be able to help others do the same.

As much as we might like to, there is no way that we can make debt disappear. The only way out is to create a payment plan and follow it with discipline and dedication. What you need to know is that this journey will be enlightening and enjoyable. Unlike a lot of finance books this one is written with a view towards human nature and breaking destructive patterns of behaviour, rather than facts and figures.

The process of lending money is nothing new and the expectation of being reimbursed for taking that risk is inherent. Credit is a tool of leverage. It can help you to buy your own home or have something now that would normally take years to save up for. There is nothing wrong with using credit, but there is everything wrong with going so far that you can't afford to make the repayments or you have to spend all your time working in order to service the account. Debt can make you a slave to a system that loves to profit from your efforts.

Talking about finances is something that does not come easily to a lot of people, and by the time people come to me for guidance they are defeated. In terms of motivation and regaining a foothold, this can mean that there is going to be

some work required when it comes to your personal beliefs and your skills in resetting your focus and goals.

You have displayed the courage needed to take the initial step to escape from debt by reading this book, so well done. I will work with you to re-create your personal direction and rebuild your financial power. I'm going to show you where to start, how to create your plan of action and, most importantly, how to take action.

Recently there has been an increase in the number of people in financial strife. While it was predicted to happen by many finance writers and forecasters, no-one in the world was really prepared for the events of 2008. The impact of the global financial crisis (GFC), as it became known, took the world by surprise. The collapse of one financial giant after another saw systems weaken and people lose fortunes.

The GFC illustrated perfectly what the excessive and/or incorrect use of debt can do and the ramifications of leveraging one's finances heavily. The rise and rise of economies saw more companies and people investing in property and shares that were on a meteoric rise. But, as Sir Isaac Newton observed, what goes up must come down — and come down it did.

When the financial giants realised what was happening in the markets they called in their loans to their customers, who tended to be asset rich and heavily leveraged by debt. Companies and individuals sold their portfolios to liquidate their assets, but values fell too quickly. The assets were soon worth only half of what people had paid for them just a week earlier. The markets were in freefall and anyone who had been dependent on credit found themselves staring down the barrel of the GFC gun.



As companies began collapsing people's jobs disappeared and with it went their ability to maintain their lifestyles. As a result, stories of people losing their retirement funds or their houses, and relationships failing due to the stress from financial problems have become increasingly common.

Australians and New Zealanders are now spending an average 114 per cent of their income. With interest rates at their lowest levels in decades the temptation is there to increase debt levels to purchase houses and cars, but what will happen when interest rates increase?

In an exciting age of continuous change and development it is unfortunate that many people can't enjoy it due to their financial commitments. Much of the population is no longer working for themselves or their families, instead they are working to support interest payments. Using excess debt to fund your lifestyle is like sitting in a bath without a plug. You can turn the tap on and water comes out, but it goes straight down the drain. You can't lie back and relax because you are too busy worrying about the water flowing out. The amount you pay in interest and fees when you borrow money takes away from your hard-earned income, which means you have less to use. Your cash is going down the drain instead of you being able to enjoy it.

Once you put a plug in the bathtub, it begins to fill up. It's the same with debt — when you take control of your finances and start reducing your debts you will see how different life can be. You will discover a new and much more exciting side, a more comfortable and relaxing side. If you are stressed about money and feel as though you can't earn enough to get by, you will soon see that you can transform and create the life that you desire.

A number of years ago I was suffering under the weight of a great deal of debt. I had negatively leveraged my personal finances in order to have a nice car and the latest household gadgets. When I freed myself from debt I discovered that life did not have to be bought on credit. I didn't need to go to a financial institution with my hat in my hand to ask for more. I realised that I could put the cash I earned to better use by managing my impulses and compulsions. I became aware that I could even make money through investing.

I will show you how to regain control of your cash flow and leverage the potential financial power you have. Today is your day to escape from debt.

## **The time is now**

Throughout my life I have found that time is how I perceive it. If I concentrate on the ticking of a clock, then time will only move one second at a time. However, if I'm focused on a task that I enjoy, then time seems to move relatively quickly. Time is not a thing or something that happens. It is simply a means of how we each measure segments of our lives.

History is important because we can look back and glean the lessons from many situations. Understanding the past gives us the ability to learn and adjust for the future. But what about now? A concept I believe a lot of people find difficult to define is what *now* means to them.

By the time you have read this your *now* may be in the past or it may still be happening, so is now 'now' or is now ... 'now'?

Confused yet? I'm not trying to complicate things, but just show you that *your time is how you consciously perceive it and how you make the best use of it.*

Life is a ceaseless dance and exchange of energy — it is fluid — so how do we embrace or take control of it? How can we make it work for us instead of just getting caught up in the flow? How can we make the most of our lives and avoid the feeling of being stuck or stagnant?

Recently I was woken in the middle of the night with a vexing question. People say to 'live for now', but what is now and what does it mean to you?

Is now the split second it takes to realise the instant you are in?

Is now five minutes?

Is now 10 hours?

Is now six months?

Is now 80 years?

Is now just the time it takes for our conscious mind to break free from the subconscious routines of day-to-day life to look around and smell the roses?

My point here is to open your conscious mind to the concept of 'now', take a strong hold of your life and make the decision to be in control and enjoy every aspect. You can even enjoy the truly challenging times by valuing the lessons they have to teach.

This brings me to another question: what is the definition of living to you?

Are you able to enjoy your life when you are overly stressed or worried about car payments, credit cards, mortgages and

everything in between?

A lot of people wait for a time like New Year's Eve to make changes in their life. The problem is that it only comes once a year. The start of a new calendar year is seen as a chance to make a new beginning, and it is, but what about all the other 360-plus chances. No matter what is happening in your life or how busy you are, there is no better time than right now to start making the changes that you need to get ahead.

Is now your time?

Is the time right to escape from debt?

Absolutely!

Consciously take hold of 'now' with both hands and hold on tight. Here we go.

## **Instructions**

You will notice that this book does not contain a lot of figures or statistics. I believe in showing you the principles behind the use of finance products and helping you to become proficient in their language and use. By understanding the fundamentals you will be able to change your financial behaviour and get on the road to reducing your debts. Everyone is in a different position financially, so to cite particular examples or case studies can make it difficult to include everyone. Instead, I will highlight the behaviours and beliefs behind the common mistakes, so you can draw a comparison with how you are operating.

There are just a few things I will ask you to do as you work with me on this program: