

For richer and poorer...

BY JANICE FIORAVANTE

When Carole and Don Carroll got married in 1992, the then thirty somethings had few debts to speak of. However, years of dining out, attending out-of-town weddings and dispatching support payments to Don's children from a previous marriage finally caught up in a big way.

Nearly four years ago, the Long Island City, Queens, residents found themselves staring down a bill for \$89,000 – most of it consisting of high interest rate credit card debt.

Despite trying to manage the couple's debts herself, Carole, 50, who works in investor relations at a hedge fund in midtown, admits that, with a full-time job, making on-time payments became a

struggle. Then the late fees and upped interest charges kicked in. That's when things really started to snowball, she said. "The phone was ringing off the hook."

The Carrolls discovered, as most debtors do eventually, that their rocketing interest rates were doing them in.

"You take the zero percentage come-on and, before you know it, they're raising it to 9% and then 20-something-percent," said Don, 55, a former publishing executive who recently got laid off. "People can't live with 28.99% APR," added Carole. "We realized we had to do something."

The couple called up Farmington Hills, Mich.,-based GreenPath Debt Solutions, which is a not-for-profit debt counseling agency with loca-

tions in New York City.

After a single in-person consultation and a less than \$100 fee, GreenPath helped them slash their interest rates. "They got some cards' interest rates down from 30% to 13%, others as low as 9.9% and 6%," Don said.

Although the couple, now debt free after three-and-a-half years, is pleased, they noted that there were some bumps on their road to debt freedom: They had to cut up their credit cards. "We sat down with scissors. It was very tough, scary and sad, but worth it," Don said.

Then came the vital lesson in how to use credit (and pay it off) responsibly: "As we paid one card off, we'd keep sending in the same amount of money, even though we could have slowed down. It felt so good to see prog-





ress," Carole said.

Today they each have only two cards: a debit card and an American Express card that they pay off each month. "We need one card to rent a car or to take a plane, but when I buy something I use my debit card, knowing that there's enough money in the checking account to cover it," Carole said.

They also learned how to bud-

get. Don recollected getting his first credit card: a gas card.

"I was 18 and right out of high school," he said. "I used it to put gas in Dad's car and then saw how easy it was to pay for repairs." Store cards came soon after. "When I saw that we owed almost \$90,000, I thought: We should have a house for this."

Don said.