

## Case Study A- Mindy

1. **Prov 22** – The rich rules over the poor, and the borrower is slave to the lender also,
2. **Ecc 5:5** It is better that you should not vow than that you should vow and not pay. In her case to declare bankruptcy would not make sense as she has assets to sell. Selling her house would get her debt free and then she could make some decisions around her career and reduce the level of stress that she has and start to save and give. God can walk her thru this. Her house would cost about 8 – 10% of the sales price to sell which would be about right for the price of the house I think she would come out completely debt free and when she rents she would need renters insurance. Renting might be better as she will not need maintenance.

2. If she sells the house and moves I would ask her to get some free counselling for all the changes that are happening in her life. Too much financial stress too much responsibility and too much change all at once. She needs emotional support during all of this change if she is open to that. Meeting with a counsellor at her church or reaching out to her Pastor for support. She also is going to need prayer support from her church family.

3. The practical steps for her is to reduce her debt to sell off assets and then budget around that. Making calls to get her internet, phone and cable at the lower rate. Reducing her food costs and going out for lunch each week not something she can afford on her budget. Tithing and saving more and this would free her up more if she reduces debt to have a budget that is workable.

4. I would ask her if selling her house is an option for her to get her completely out of debt. I tried working it out to sell the car and it wasn't enough to help her. So the only assets outside of her personal belongings which isn't enough so to sell her home. Decrease her housing amount which is over and she can't afford maintenance on the home anything goes wrong she can't afford it this keeps her within her 38% of her income or to get another job that pays more and refinance the house at a lower mortgage rate. I don't think she can afford this home at this time.

5 I think she should get low income support with her health and at this moment life insurance would be good but I don't see how in her budget there is money for that right now. There is

Christian Healthcare Ministries, or you can get subsidized medical plans thru government. Her husband has life insurance for the kids and she doesn't need it at this point.

6. I budgeted an amount for both the kids and her for clothing. It's a small amount but its something. I would suggest she starts to shop Thrift stores and budget places for clothes and garage sales can be good too. Also sometimes people give free clothes at churches and I would network that . Mom's swap and shop sites etc. Asking family to give gifts of clothing is helpful too.