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average of \$2,630 per year in interest, assuming an average APR of 18 percent.

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The total amount of debt owed by U.S. consumers has reached \$11.91 trillion, with the average indebted household owing \$15,355 in credit card debt alone, according to [NerdWallet](#)'s Annual American Household Credit Card Debt Study. As one of the most expensive types of debt, credit card debt costs consumers an average of \$2,630 per year in interest, assuming an average APR of 18 percent.

"It's alarming that household debt is on the rise, but it's also important to recognize that not all debt is created equal," says Sean McQuay, NerdWallet's Credit Card Associate. "Under the right circumstances, mortgage, student and auto loan debt can be helpful in building a bright financial future. That said, it's critical for Americans to understand their debt and recognize that certain types of debt are unnecessarily costly."

Total debt owed by U.S. consumers

Credit cards

- \$15,355 per household; \$712 billion total

Mortgages

- \$165,892 per household; \$8.12 trillion total

Auto loans

- \$26,530 per household; \$1.03 trillion total

Student loans

- \$47,712 per household; \$1.21 trillion total

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data from several sources, including the New York Federal Reserve and the U.S. Census Bureau, as well as a study conducted online by Harris Poll commissioned by NerdWallet. Key findings include:

The cost of living is outpacing income growth. While median household income has grown 26 percent since 2003, household expenses have outpaced it significantly — with medical costs growing by 51 percent and food and beverage prices increasing by 37 percent in that same span. Interest payments add up.

The average household already is paying a total of \$6,658 in interest per year, which means that 9 percent of the average household income (\$75,591) is being spent on interest alone. Credit card debt is particularly costly. The average American household with credit card debt could spend up to 44 years paying it down if only making the minimum payments each month.

“A big part of getting out of debt is admitting you have a problem. Unfortunately, debt — particularly credit card debt — carries a stigma that can be very damaging and counterproductive,” says McQuay. “An online survey we commissioned Harris Poll to conduct found that 35 percent of Americans consider credit card debt to be the most ‘embarrassing’ debt to tell others about having and 70 percent think there is a greater stigma around credit card debt than any other type of debt. If this stigma leads to avoidance and inaction, we’re in trouble. Americans need to come to terms with their debt and make an active plan to climb out of it.”

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