



## Pay off your mortgage *sooner*

Want to pay off your mortgage more quickly? Use these tips:

- Round up your monthly mortgage payment amounts. For example, if your mortgage bill is \$1,175, pay \$1,200 each month. Paying a little extra principal each month gradually lowers the interest you pay over the life of your mortgage.
- Another method of paying extra is to take the amount of one mortgage payment and split it in to 12 smaller parts. Then, add one part to each of your monthly mortgage payments. Indicate to your lender the extra portion applies to the mortgage principal.
- Set up an automatic payment for extra payments.
- Refinance to lower your interest rate and shorten the term of your mortgage. Before you commit, confirm that the terms of the

refinance save you more money than the cost of refinancing!

Mortgage accelerator programs are out there, but come with some major drawbacks:

- Mortgage accelerator programs often require payment of hefty initial fees or the purchase of expensive software. Some mortgage accelerator programs cost up to \$3,500 – money you could be using to pay off your mortgage yourself.
- Mortgage accelerator programs require your total financial attention – all of your excess monthly income goes to paying off your mortgage principal.
- Many mortgage accelerator program providers hold your money and make payments for you. If they make a late payment, you're on the hook for extra interest, late charges and a negative mark on your mortgage payment history.

With a little budgeting and planning, you can avoid the use of an expensive middle-man and still achieve your early mortgage payoff!

Are you or anyone you know looking to buy or sell? Give me a call and set up an appointment today!