

Why It's Wise to Pay off Mortgages Early

By Jenny Rose

What is a mortgage? Mortgages are payment plans for *loans* on houses. People normally can't afford to pay a full \$300,000, so they take out a mortgage with a mortgage company. They lay down an original sum, usually 10%-20% of the price of the house, and borrow the rest from the company. Then comes in the horrible part: the interest. Interest is a percentage of the original sum, the principal, which is then added to the amount of money you owe them. With an interest rate of 7.000% you would end up paying almost two thousand dollars a month to meet your monthly payment and the absolute total amount you end up paying for your house would be almost three times as much as you originally borrowed! Mortgages are sticky, messy, annoying little things, aren't they? That's why families with large mortgages are very often stressed out when it comes to payments. It's a hassle to deal with in every respect. But that's enough on the depressing side of it. There is hope! In a book by Gary Sanseri called *A Banker's Confession*, he talks about paying off mortgages early. It's simple, practically painless, and it reaps exceedingly large benefits!

Before I go on to explain the 'how's of putting money aside to paying off your mortgage early, let me talk about the 'why's. I've already discussed how stressful mortgages are, but let's look at what the Bible says about it. It's true that mortgages don't rate their own chapter in Scripture, but we can look at scriptures such as Romans 13:8, which says, "*Let no debt remain outstanding, except the continuing debt to love one another, for he who loves*

his fellowman has fulfilled the law.” But when it comes to money issues like these, we often forget the verses such as Proverbs 21:1, “*Gold there is, and rubies in abundance, but lips that speak knowledge are a rare jewel.*” Too often we look for ways to get rich and to obtain those abundant riches, but we fail to see the eternal riches involved. What I’m saying is that human beings tend to look at the material instead of what they should be looking at, which is the immaterial. We live our lives to be on top or at least to be comfortable and to have as many luxuries as we can possibly get. So when I talk about it being smart to pay off mortgage early, I’m talking spiritually as well as financially. When our minds are wrapped up in just being able to pay off debts, you can bet that we’re not focusing on Christ. People make wrong decisions that they wouldn’t otherwise if they weren’t behind in their payments. Paying off your debts takes a load off your mind and gives you more energy to put into the things of God rather than the things of man. Paying off debts as quickly as possible is an upright and honest thing to do. “*Even a child is known by his actions, by whether his conduct is pure and right,*” (Proverbs 20:11).

I brought up the Biblical viewpoints first because they’re truly the only ones that honestly matter. Everything else is just icing on the cake. This is why we work hard to be self-disciplined and honest rather than cheating our way around just to get a buck. So, with that in mind let’s talk about the financial benefits of early mortgage paying. Gary Sanseri says that even just putting an extra dollar for every day of the month towards your mortgage takes off hundreds, if not thousands, of dollars in the long run! You see, the way that interest rates work is kind of funny. The more time you have to pay, the more you pay all in all. So by cutting off the edges of payment

early, you are cutting the time of the mortgage and in inevitably you are also cutting the cost, which is nice. Paying extra also gives you breathing room for those times when you absolutely can't pay the minimum quota for the month. You've already put extra into the mortgage so you aren't as under the gun as you would be if you were just paying the minimum amount regularly. My parents are a good example of putting extra money towards mortgages. My parents bought the house we live in around eight or so years ago. Since then they have been putting extra money into their mortgage every month and then in addition, throwing a thousand dollars extra or so into it every couple of years. Just a small amount of money will cut it more than you would think, but putting this much effort into it does so much more! Because of this, their payment plan will last roughly about 15 years. That's half of how long it would have originally taken! In addition, they've saved thousands and thousands of dollars of money by paying early and have set themselves up for a comfortable, much less stressful home life for the future.

You don't have to put huge sums of money extra into your mortgage for it to benefit your finances and cut both the costs and the time. Just little bits here and there and a steady addition of money every month will do absolute wonders to your mortgage. The Word tells us to focus our attention on the things of Christ, following His voice and His commands, and putting the ways of the world behind us because we're not part of this world any longer; we're part of Christ's eternity. What a blessing! Jesus didn't put us on this earth to live glorious, splendid, peachy lives, but He didn't leave us here to wallow in self pity, guilt, frustration, or stress either. We're to live godly, upright lives with integrity spilling out on every side. One small way

to do this and minimize the stress is to be financially smart. You don't have to be a genius, mind you, just be wise in how you pay back debts and how you buy things. This mindset alone will open your eyes to a new and glorious way of living life. We can be content no matter what circumstances. Paul said he learned the secret to contentment. Please note that he said "learned" and not "discovered" or "obtained." Contentment isn't something you attain overnight. It's something that is gradually and increasingly grown in your heart as you walk through life with Jesus. Paying things off early is just one small way of showing integrity and honesty before the Lord, before believers around you, and before those who don't know Christ. Let's make our lives pleasing to the Lord in every aspect, including that of our debts. Who knows who we will influence because of it?