

Money Date #16 – Pre-Pay Home Mortgage

1. Open in Prayer & Read Romans 13:7
2. Read the Home Mortgage Notes below.
3. Choose a ["One Another"](#) verse to focus on this week.
4. Close in Prayer
5. Continue Your Journey



The [Building Your Finances God's Way](#) financial discipleship study is a great resource to help you continue on your financial discipleship journey and help you further develop a plan for getting out of debt.

Paying Off Your Mortgage

When I learned God's financial principles, we became convinced that the Lord wanted us entirely out of debt — even our home. We understood this to be a really long-term goal because of the size of our mortgage. But we also realized that if we could pay it off, it would free up a big chunk of our income, enabling us to give more generously and save more aggressively.

We didn't start prepaying the mortgage until we wiped out all our credit card and consumer debt. Then we focused on the home by paying an extra amount each month to reduce the principal more quickly. The longer we did it, the more excited we became. Finally, we also started applying work bonuses and income tax refunds to our mortgage.

Prepaying your mortgage can save you tons of interest.

Some homeowners don't want to prepay the mortgage and decrease the interest payments, reasoning that interest is one of their biggest tax deductions. But this tax advantage is overrated. If you are in the 25 percent tax bracket, for each \$1,000 you pay in home interest, you save only \$250 in taxes — 25 percent of the \$1,000 interest paid. So, while there is a tax benefit, it's not as much as many think. Paying \$1,000 to save \$250 is not that great a deal.

Use the [Mortgage Calculators](#) to help you come up with a plan to pay off your home!