

ACCELERATED MORTGAGE SCHEDULE

Want to own your home in half the time but can't handle the monthly payments on a 15-year mortgage right now? Try applying the "3% Rule" to your 30-year mortgage.

Here's how it works: You pay your regular monthly payments for the first year of the loan. At the beginning of the second year, you take an amount equal to 3% of the monthly principal and interest portion of your bill (it's itemized on your statement), and include it as additional principal with each payment for that year. Repeat the procedure for each subsequent year, and in about 15 years you own your home.

As an example, consider a \$100,000, 30-year loan at 9-1/2%:

	Monthly Interest Principle	3% Additional Payment	Total Monthly Payments
1 st Year	840.85	---	840.85
2 nd Year	840.85	25.23	866.08
3 rd Year	866.08	25.98	892.06

And so on. In effect, you're giving your lender an "annual raise" of 3% -- almost certainly less than the cost of living. And the reward is full ownership of your home in about half the time called for by the terms of your mortgage!