

# LET'S TALK PAYMENT FREQUENCY

When you make more frequent payments on your mortgage, you are paying more towards your principal (original amount borrowed), thus, saving you in interest and shortening the amount of time it takes to pay off your mortgage.

The following table shows how a \$1,000 mortgage payment is managed with different payment schedules:

Option	Formula	Payments per year	Amount per payment	Paid Yearly
Monthly	$\$1,000 \div 1$	12	\$1,000 paid once a month	\$12,000
Semi-monthly	$\$1,000 \div 2$	24	\$500 paid twice a month	\$12,000
Bi-weekly	$\$1,000 \times 12 \div 26$	26	\$461.54 paid every 2nd week	\$12,000
Accelerated Bi-weekly	$\$1,000 \div 2$	26	\$500 paid every 2nd week	\$13,000
Weekly	$\$1,000 \times 12 \div 52$	52	\$230.77 paid every week	\$12,000
Accelerated Weekly	$\$1,000 \div 4$	52	\$250 paid every week	\$13,000

**\*\* Pro Tip:** If you increase your payment amount along with your payment schedule you will add another mechanism to becoming mortgage-free faster. The savings in interest will have you adding more of your hard-earned money back into your bank account and save you thousands of dollars over the life of your mortgage \*\*



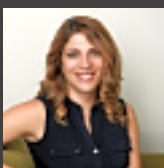
## Monthly Payment Options:

- **Monthly** - your mortgage payment is withdrawn from your bank account on the same day of every month. You will make 12 payments/year.
- **Semi-monthly** - structured to be paid on two dates per month, such as the 1st and the 15th. You will make 24 payments per year.

## Weekly payment options:

- **Bi-weekly** - your mortgage payment is multiplied by 12 mos and divided by the 26 pay periods/year. You make 26 payments per year, every 14 days.
- **Accelerated Bi-weekly** - your mortgage payment is made every second week; because there are 52 weeks in a year, you make 26 payments. The payment amount is calculated by dividing your monthly payment by two (with a payment every two weeks). This results in one extra monthly payment each year.

Talk to us to find out which payment frequency is best for you; along with other great tips to help you pay off your mortgage faster!



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