

Slave or Master of Your Mortgage

Biweekly schedules land on certain days of the month (like every other Friday). Semimonthly lands on certain dates of the month (like the 5th and 20th).

Putting both schedules right next to each other you would swear they were identical in that both have 365 days and 52 weeks.

Yet paying on the wrong schedule will make you a slave to your mortgage, paying on the right schedule will make you the **master of your mortgage**.

Borrowers paying on the right schedule (biweekly) become master of their mortgage, paying on a 28 day month, broken into two fourteen day increments, 26 times a year.

On the other hand, borrowers paying on the wrong schedule semimonthly or monthly become slaves to their mortgage, paying on a 30/31 day monthly schedule or splitting a monthly payment in half and you pay a semimonthly payment 24 times a year.

It's who takes ownership of these extra days (that accumulate the amount of one full mortgage payment by year end) that determines who becomes master or slave of the loan.

Pay the extra days beyond the 28th of each month in two biweekly payments and you become the master of your mortgage.

Ignore these days by not paying them makes your lender the master, whereby the unpaid days automatically default to interest which is 100% theirs, not diluted by principal, taxes, or insurance.

Lenders do not make it easy for borrowers to pay these virtual accrual days, as no notification needs to be made or given on optional payments, and to insure no payments are made, no late fees are charged, nor does lack of payment effect credit scores. Why would a lender get excited about you making an acceleration payment?

If mortgage acceleration is your goal, the extra days payment is the most important payment that you can make as **it has the potency of a regular monthly payment on steroids**. It is many times more potent than a traditional monthly payment.



Biweekly Mortgage Association

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