

Myth #1: It is IMPOSSIBLE to pay off your mortgage in 10 years without major sacrifices.

This is a common comment I hear. Many people think they have to give up something very long term in order to become mortgage-free. In their minds, they think it's not even worth doing because they don't want to give up whatever it is that's making them happy at this very moment of their lives.

So this is the way I like to explain it. You don't need to make major sacrifices to become mortgage-free. You don't need to give anything up!

So, what if I told you

“OK, for the next month, rather than buying lunch for work everyday, what if you were to prepare and pack your own lunch? At the end of the 30 days, you would be rewarded with \$150,000.”

Taking your lunch to work for a month is not a big sacrifice for other people yet for some, it is. They would rather just spend the \$8 to \$10 a day buying lunch. If you think about it, buying lunch everyday would cost you about \$200 a month. Imagine if you were to put this \$200 into your mortgage. **This would go right against the principal** and help you reduce your mortgage (the mortgage duration).

So what we are talking about is coming up with short-term sacrifices for the long-term goal.

Calculations show that if you were to become mortgage-free in 10 years, you would be able to save an upwards of \$150,000. If someone would pay you \$150,000 to take your lunch to work every day, would you go for it?

A common objection that I hear as well is

“Huong, I don't want to sacrifice my traveling plans. I love to travel and if I don't travel, I will feel like I'm lifeless and incomplete. So, it is more important for me to be able to travel than to pay down my mortgage.”

Keep in mind that we are not talking about giving up traveling. We are talking about making some adjustments to the desire of traveling every year. One of my clients shared this concern to me, and together, we decided to make a list of places he wanted to see in the next 10 years. His goal was to travel to one or two of these places each year for the next 10 years. I can tell that he's not really willing to sacrifice his traveling plans in order to pay off his mortgage. The outcome of our coaching session was, we figured out and estimated on how much money would cost him on each places in his traveling list. Then the arrangement we made was over the next 5 years, he would only travel to the places that would require the least amount of money. This way he was able to put the extra money that he would have spent on traveling to his mortgage. The effect of doing this is two-fold. One, he is able to travel and not feeling like he is not living (or many people like to call it “house-broke”). And two, because of the money he's

able to save from traveling to budget friendly places, he will put that directly against his mortgage principal thus reducing the interest in the long-term that he would have to pay. So in 5 years, the money that he's able to save in mortgage interest, would fund his future traveling plans. Imagine how many more places he would be able to go and see if he doesn't have a mortgage! Imagine if you could travel anywhere without being on a budget.

Another way I like to tackle this myth is by asking:

“Do you know what is more work than becoming mortgage-free in 10 years?”

It's more work having to work past 65 years old because you still have a mortgage, living paycheck to paycheck, or working for 4 months out of the year to pay your taxes. These to me are a lot of work and a big waste of time that should have been spent on enjoying retirement at that age. Becoming mortgage-free is way easier compared to working on a job at the age past 65 years old to pay mortgage. Imagine the freedom you would have if you won't have to worry about your mortgage anymore. You would be able to reduce your work from full-time to part-time or in some cases, be your own boss. You would be able to take those random trips and spend quality time with love ones anytime.

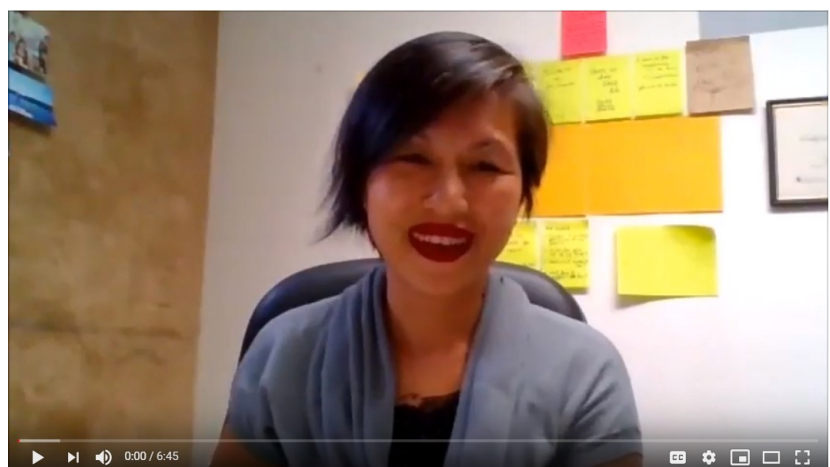
So here is a tip to show you how becoming mortgage-free does not require a big sacrifice. If you put the tip into practice, you will automatically reduce about three years off of your mortgage. And it won't cost you anything more.

Change your mortgage payment from monthly to weekly or bi-weekly accelerated. This could automatically reduce your mortgage by 3 years and can save you more than \$25K in interest payments.

This is the **G** in the **GLAD** method mentioned in the book.

Watch the Video here:

<https://youtu.be/7NsgOewuqjU>



Myth 1: It's Too Much Work