## CHAPTER



## Mortgage Free in Five to Seven Years

P
ssst-this whole chapter is a big secret, but it's one you are going to be very happy I am sharing with you. It's a secret that will more than pay for this book; you could use my secret to become completely debt free in less than a decade.

I'm talking about a new way to manage your mortgage, and your monthly cash flow, so that you-and not some banker-get to squeeze the most use out of every dollar that comes in and every dollar that goes out. Used correctly, this strategy will enable you to pay off your mortgage in as many years as some people take to pay off their cars.

The strategy is called equity acceleration, or mortgage acceleration. It's not such a big secret in Australia and the United Kingdom, where as many as one in four homeowners are accelerating their mortgages.

It's legal. It's not a scam. It's entirely aboveboard. Anyone with a decent credit score and good bill-management skills can accelerate the end of their mortgage and other debts by using the system I am going to lay out here.

Here is a basic outline of how it works:

- You finance a new home or refinance an existing one by obtaining a home equity line of credit (HELOC) requiring an interest-only monthly payment for at least 10 years.


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- You use the HELOC to pay off your existing mortgage (if you have one). The HELOC replaces a new or existing conventional mortgage.
- You send your whole paycheck into the HELOC every time you are paid. This covers your monthly minimum payment, and then some. The HELOC becomes the new depository for your income.
- You pay your bills out of the HELOC, as close to the due date as possible. That maximizes the amount of time your money sits in the HELOC, cutting your interest.
- Any extra money you have left in the HELOC account after you pay your bills and make the minimum interest payment on the HELOC goes toward further accelerating your debt reduction every month.


## Why It Works

The key to grasping the power of equity acceleration to eradicate your debt so quickly is understanding how interest is calculated in a traditional mortgage and in a HELOC. As you learned in the preceding chapter, a HELOC is a revolving loan. That gives you the flexibility to make interest-only minimum monthly payments every month, or to make larger payments if you want to.

In a traditional fixed-rate mortgage, the monthly principal and interest payment is predetermined and calculated according to a conventional amortization schedule, and the principal is assessed every month on an ascending schedule. With an average-sized 30year conventional mortgage, it could take almost 19 years before more principal than interest is coming out of each monthly payment. You can, of course, pay the mortgage off early and reduce overall interest costs, but it isn't until you've completely paid off the loan that you realize the savings. There isn't an immediate benefit to you on a monthly basis; you are still obligated to make the original monthly payment, and all of the principal payments are locked away in your mortgage holder's treasure chest. And of course, they don't give you a key to their treasure chest.

A portion of your monthly payment is applied toward the outstanding balance of your loan and facilitates the payback of the debt. The remaining portion of your payment pays the interest you agreed to when you borrowed the money.

In a HELOC, interest is recalculated every month on the basis of the average daily balance of the principal owed. The more money you run through your line of credit (even if the deposits do not stay there long), the more you are driving down the principal and setting the stage for those interest costs to be calculated on a lower average daily balance. As the monthly interest is pushed down, more and more of your cash goes toward paying off the principal owed, and that results in lower and lower interest charges every month. That gets compounding working for you, instead of against you.

It's true that interest rates on HELOCs are variable, which means that this strategy operates in an open-ended, variable environment. That may sound scary, but in fact, the accelerator system is so powerful it even trumps rate increases. Bill Westrom, my guru on this strategy, helps consumers to accelerate the payoff of their mortgages through his company Truth in Equity (www.truthineq uity.com). And he has found that even if interest rates on HELOCs rise to frightening, double-digit levels, the equity acceleration strategy creates a smaller bottom line and a faster debt payoff.

Here are a couple of case studies from his customer files that demonstrate how the equity accelerator can work.

## Mark and Susan

Mark and Susan owned a home in Indiana. They had 12 years left on a 15 -year mortgage with a fixed interest rate pegged at 5.25 percent. Their original mortgage was $\$ 225,000$. After three years of making payments, they still owed $\$ 192,934$ or 86 percent of the original loan amount. Their take-home monthly income was about $\$ 7,500$ and their monthly expenses came in at $\$ 5,250$, including their $\$ 1,809$ mortgage payment. (See Figure 6.1.)

The couple was a good candidate for an equity accelerator because they had a substantial positive cash flow. They also had equity in their home, good credit scores, and, more important, a willingness to take an active role in managing and controlling their financial future.

The coupled replaced their conventional mortgage with a new HELOC.

As the principal on the HELOC began to drop, their interest costs also have gone down and their monthly cash flow has improved. Every month, more of their extra cash flow goes to paying down the loan.

| Original Loan Amount: \$225,000 <br> Remaining Term: 12 years |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Current Economic Structure |  |  |  |  |  |
| Mortgages | Balance | Payment | Interest Rate | Expenses |  |
| 1st Mortgage | \$192,934.45 | \$1,808.72 | 5.25\% | Monthly Living Expenses | \$3,191.00 |
| 2nd Mortgage | \$0.00 | \$0.00 | 0.00\% | Total Monthly Expenses | \$5,249.72 |
| Monthly Tax \& Ins |  | \$250.00 |  |  |  |
| Totals | \$192,934.45 | \$2,058.72 |  | Income |  |
|  |  |  |  | Deposited Net Income | \$7,500.00 |
|  |  |  |  | Investment Income | \$0.00 |
|  |  |  |  | Other Income | \$0.00 |
| No vehicle or credit card debt to report |  |  |  | Totals | \$7,500.00 |
| Conventional 15-Year Amortization Currently in Year 3 |  |  |  |  |  |
| End of Year | Loan Balance | Payment | Accumulated Interest | Accumulated Principal | Liquid Funds |
| Opening Balance | \$225,000.00 | \$1,808.72 | \$ 0.00 | \$ 0.00 | \$0.00 |
| 1 | \$214,866.26 | \$1,808.72 | \$ 11,570.96 | \$ 10,133.74 | \$0.00 |
| 2 | \$204,187.52 | \$1,808.72 | \$ 22,596.92 | \$ 20,812.48 | \$0.00 |
| 3 | \$192,934.45 | \$1,808.72 | \$ 33,048.54 | \$ 32,065.55 | \$0.00 |
| 4 | \$181,076.17 | \$1,808.72 | \$ 42,894.96 | \$ 43,923.83 | \$0.00 |
| 5 | \$168,580.13 | \$1,808.72 | \$ 52,103.62 | \$ 56,419.87 | \$0.00 |
| 6 | \$155,412.02 | \$1,808.72 | \$ 60,640.21 | \$ 69,587.98 | \$0.00 |
| 7 | \$141,535.72 | \$1,808.72 | \$ 68,468.60 | \$ 83,464.28 | \$0.00 |
| 8 | \$126,913.11 | \$1,808.72 | \$ 75,550.70 | \$ 98,086.89 | \$0.00 |
| 9 | \$111,504.08 | \$1,808.72 | \$ 81,846.37 | \$113,495.92 | \$0.00 |
| 10 | \$ 95,266.32 | \$1,808.72 | \$ 87,313.31 | \$129,733.68 | \$0.00 |
| 11 | \$ 78,155.27 | \$1,808.72 | \$ 91,906.95 | \$146,844.73 | \$0.00 |
| 12 | \$ 60,123.94 | \$1,808.72 | \$ 95,580.32 | \$164,876.06 | \$0.00 |
| 13 | \$ 41,122.86 | \$1,808.72 | \$ 98,283.94 | \$183,877.14 | \$0.00 |
| 14 | \$ 21,099.87 | \$1,808.72 | \$ 99,965.65 | \$203,900.13 | \$0.00 |
| 15 | \$ 0.00 | \$ 0.00 | \$100,570.47 | \$225,000.00 | \$0.00 |

Figure 6.1 Mark and Susan's Conventional 15-Year Mortgage and Year-toYear Amortization Results

Now, instead of looking at 12 years, the couple is on track to be mortgage free in four years and 10 months and save over $\$ 45,000$ in interest costs. (See Figure 6.2.)

You can see exactly how that will work by comparing the amortization tables in Figures 6.1 and Figure 6.2. Figure 6.1 shows how Mark and Susan would have paid off their 15 -year loan. Figure 6.2 shows how they are blowing through their debt in under five years instead.

## Megan and Jared

Here's another quite different example of how the system can work for a Manhattan couple who don't have the extra cash flow that Mark and Susan enjoy.

Megan, at 35 , earns a salary of $\$ 75,000$ as an editor at a New York publishing house, and her husband earns $\$ 90,000$ as an art director.


Figure 6.2 Mark and Susan's Proposed Mortgage Accelerator Line of Credit and Year-to-Year Amortization Results

The balance of Megan's inheritance- $\$ 50,000$-is in a mutual fund that has been returning an average of 8 percent a year.

Megan and Jared bought a co-op in the upper west corner of Manhattan five years ago in Hudson Heights, where real estate prices aren't nearly as high as further downtown. They put $\$ 75,000$ down on a co-op costing $\$ 475,000$.

They have 25 years left on their mortgage, which has a fixed interest rate of 6.25 percent. Their combined take-home pay is $\$ 9,000$ a month. Their monthly mortgage payment is $\$ 2,463$. When you add in their commuting and parking costs and other expenses, there isn't much money left at the end of the month.

| Original Loan Amount: $\$ 400,000$ <br> Remaining Term: 25 years |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Current Economic Structure |  |  |  |  |  |
| Mortgages | Balance | Payment | Interest Rate | Expenses |  |
| 1st Mortgage | \$373,348.00 | \$2,462.87 | 6.25\% | Monthly Living Expenses | \$3,575.00 |
| 2nd Mortgage | \$0.00 | \$0.00 | 0.00\% | Total Monthly Expenses | \$6,637.87 |
| Monthly Tax \& Ins |  | \$600.00 |  |  |  |
| Totals | \$373,348.00 | \$3,062.87 |  | Income |  |
|  |  |  |  | Deposited Net Income | \$9,000.00 |
|  |  |  |  | Investment Income | \$0.00 |
|  |  |  |  | Other Income | \$0.00 |
| No vehicle or credit card debt to report |  |  |  | Totals | \$9,000.00 |
| Conventional 30-Year Amortization Megan and Jared Currently in Year 5 |  |  |  |  |  |
| End of Year | Loan Balance | Payment | Accumulated Interest | Accumulated Principal | Liquid Funds |
| Opening Balance | \$400,000.00 | \$2,462.87 | \$ 0.00 | \$ 0.00 | \$0.00 |
| 1 | \$395,312.82 | \$2,462.87 | \$ 24,867.24 | \$ 4,687.18 | \$0.00 |
| 2 | \$390,324.15 | \$2,462.87 | \$ 49,433.00 | \$ 9,675.85 | \$0.00 |
| 3 | \$385,014.60 | \$2,462.87 | \$ 73,677.87 | \$ 14,985.40 | \$0.00 |
| 4 | \$379,363.52 | \$2,462.87 | \$ 97,581.23 | \$ 20,636.48 | \$0.00 |
| 5 | \$373,348.97 | \$2,462.87 | \$121,121.09 | \$ 26,651.03 | \$0.00 |
| 6 | \$366,947.54 | \$2,462.87 | \$144,274.09 | \$ 33,052.46 | \$0.00 |
| 7 | \$360,134.36 | \$2,462.87 | \$167,015.34 | \$ 39,865.64 | \$0.00 |
| 8 | \$352,882.95 | \$2,462.87 | \$189,318.36 | \$ 47,117.05 | \$0.00 |
| 9 | \$345,165.11 | \$2,462.87 | \$211,154.94 | \$ 54,834.89 | \$0.00 |
| 10 | \$336,950.85 | \$2,462.87 | \$232,495.11 | \$ 63,049.15 | \$0.00 |
| 11 | \$328,208.23 | \$2,462.87 | \$253,306.91 | \$ 71,791.77 | \$0.00 |
| 12 | \$318,903.27 | \$2,462.87 | \$273,556.38 | \$ 81,096.73 | \$0.00 |
| 13 | \$308,999.80 | \$2,462.87 | \$293,207.34 | \$ 91,000.20 | \$0.00 |
| 14 | \$298,459.32 | \$2,462.87 | \$312,221.28 | \$101,540.68 | \$0.00 |
| 15 | \$287,240.86 | \$2,462.87 | \$330,557.24 | \$112,759.14 | \$0.00 |
| 16 | \$275,300.80 | \$2,462.87 | \$348,171.61 | \$124,699.20 | \$0.00 |
| 17 | \$262,592.74 | \$2,462.87 | \$365,017.98 | \$137,407.26 | \$0.00 |
| 18 | \$249,067.27 | \$2,462.87 | \$381,046.94 | \$150,932.73 | \$0.00 |
| 19 | \$234,671.83 | \$2,462.87 | \$396,205.91 | \$165,328.17 | \$0.00 |
| 20 | \$219,350.43 | \$2,462.87 | \$410,438.95 | \$180,649.57 | \$0.00 |
| 21 | \$203,043.54 | \$2,462.87 | \$423,686.48 | \$196,956.46 | \$0.00 |
| 22 | \$185,687.76 | \$2,462.87 | \$435,885.13 | \$214,312.24 | \$0.00 |
| 23 | \$167,215.63 | \$2,462.87 | \$446,967.42 | \$232,784.37 | \$0.00 |
| 24 | \$147,555.33 | \$2,462.87 | \$456,861.55 | \$252,444.67 | \$0.00 |
| 25 | \$126,630.45 | \$2,462.87 | \$465,491.09 | \$273,369.55 | \$0.00 |
| 26 | \$104,359.64 | \$2,462.87 | \$472,774.71 | \$295,640.36 | \$0.00 |
| 27 | \$ 80,656.34 | \$2,462.87 | \$478,625.83 | \$319,343.66 | \$0.00 |
| 28 | \$ 55,428.39 | \$2,462.87 | \$482,952.31 | \$344,571.61 | \$0.00 |
| 29 | \$ 28,577.74 | \$2,462.87 | \$485,656.08 | \$371,422.26 | \$0.00 |
| 30 | \$ 0.00 | \$ 0.00 | \$486,632.77 | \$400,000.00 | \$0.00 |

Figure 6.3 Megan and Jared's Conventional 30-Year Mortgage and Year-to-Year Amortization Results

During the five years they've owned the apartment, Megan and Jared have sent their mortgage company over $\$ 147,000$ in principal and interest payments; of that, $\$ 121,121$ was interest and $\$ 26,651$ was applied toward principal. They still owe over $\$ 373,348$ or 93 percent of their original mortgage! If they continue on this path for the next seven years, after 12 years of payments they will still owe $\$ 318,903$. (See Figure 6.3.) They would have absorbed an additional $\$ 152,000$ in interest costs, and would still have 216 more payments before they would be mortgage free.

| Current Economic Structure |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Mortgages | Balance | Payment |  | Expenses |  |
| 1st Mortgage | \$373,348.00 | \$2,462.87 |  | Monthly Living Expenses | \$3,575.00 |
| 2nd Mortgage | \$0.00 | \$0.00 |  | Total Monthly Expenses | \$6,637.87 |
| Monthly Tax \& Ins |  | \$600.00 |  |  |  |
| Totals | \$373,348.00 | \$3,062.87 |  | Income |  |
|  |  |  |  | Deposited Net Income | \$9,000.00 |
| No vehicle or credit card debt to report |  |  |  | Investment Income | \$0.00 |
|  |  |  |  | Other Income | \$0.00 |
|  |  |  |  | Totals | \$9,000.00 |
| Proposed Mortgage Accelerator Line of Credit |  |  |  |  |  |
| Proposed Loan Amount Proposed Interest Rate | \$450,000.00 |  |  |  |  |
|  |  | 4.00\% |  |  |  |
|  | New Line of Credit |  |  |  |  |
|  |  |  | Line Amount Consolidation Balance | \$450,000.00 |  |
|  |  |  |  | \$373,348.00 |  |
| Debt Restructure |  |  | Consolidation Balance Reallocation | \$0.00 |  |
| 1st Mortgage | \$373,348.00 |  |  |  |  |
| 2nd Mortgage | \$0.00 |  | Liquid Assets |  |  |
| Credit Card Debt | \$0.00 |  | 1st Month Balance | \$373,348.00 | 1st Month |
| Installment Debt | \$0.00 |  |  |  | Payment Savings |
| Total | \$373,348.00 |  | 1st Month Payment | \$1,244.49 |  |
|  |  |  |  |  | \$1,818.38 |
| Mortgage Accelerator Amortization Projected Payoff: 8 years, 6 months |  |  |  |  |  |
| End of Year | Loan Balance | Payment | Accumulated Interest | Accum. Payment Savings vs. 30-yr Mtg. (PITI) | Available Liquid Funds |
| Opening Balance | \$373,348.00 | \$1,244.49 | \$ 1,244.49 | \$ 1,818.38 | \$ 76,652.00 |
| 1 | \$334,500.96 | \$1,254.38 | \$ 14,882.34 | \$ 21,872.10 | \$115,499.04 |
| 2 | \$292,499.36 | \$1,340.62 | \$ 30,506.98 | \$ 43,001.90 | \$160,960.41 |
| 3 | \$250,800.66 | \$1,358.50 | \$ 45,988.16 | \$ 64,275.16 | \$199,199.34 |
| 4 | \$209,383.38 | \$1,308.65 | \$ 61,286.13 | \$ 85,731.63 | \$240,616.62 |
| 5 | \$167,425.51 | \$1,185.93 | \$ 75,553.89 | \$108,218.31 | \$282,574.49 |
| 6 | \$124,028.22 | \$ 981.89 | \$ 87,863.34 | \$132,663.30 | \$325,971.78 |
| 7 | \$ 78,172.40 | \$ 684.01 | \$ 97,160.95 | \$160,120.13 | \$371,827.60 |
| 8 | \$ 28,665.12 | \$ 274.71 | \$102,213.24 | \$191,822.28 | \$421,334.88 |
| 9 | \$ 0.00 | \$ 0.00 | \$102,836.90 | \$206,512.97 | \$450,000.00 |
| 10 |  |  |  |  |  |
| 11 |  |  |  |  |  |
| 12 |  |  |  |  |  |
| 13 |  |  |  |  |  |
| 14 |  |  |  |  |  |
| 15 |  |  |  |  |  |

Figure 6.4 Megan and Jared's Proposed Mortgage Accelerator Line of Credit and Year-to-Year Amortization Results

Megan and Jared have a couple of options if they are to take advantage of the equity accelerator concept.

If they simply refinance their current mortgage into an equity accelerator, and Megan keeps her $\$ 50,000$ inheritance in a mutual fund, they could be debt free in eight and a half years. (See Figure 6.4.) This would save them over $\$ 262,675$ in additional interest costs and their mortgage would be paid off. (In comparison, with their current mortgage, Megan and Jared would still owe $\$ 303,811$ of the original balance and $\$ 183,836$ in additional interest costs at that time.)

If Megan decides to close out her mutual fund and apply those funds toward an equity accelerator line of credit, Megan and Jared


Figure 6.5 Megan and Jared's Proposed Mortgage Accelerator Line of Credit, \$50,000 Mutual Fund Contribution, and Year-to-Year Amortization Results
would own their home outright in only six years, nine months, and would save an additional $\$ 36,679$ in interest charges and be mortgage free. (See Figure 6.5.)

Got the concept? What the accelerator system does is funnel more of your money into debt reduction and set the stage for you to benefit from this immediately. By converting your lazy moneythat's money sitting in accounts without connection to your home equity, such as a checking account-into money that works to pay off your mortgage, you reduce the amount you owe. That cuts your interest costs and hastens the day when your mortgage is but a distant memory.

## It's Not for Everyone

The mortgage acceleration concept won't work for everyone. Like the other strategies in this book, it requires discipline. You have to be a smart cash-flow manager to make it work. You also have to have high enough credit scores to get a good HELOC, and confidence that your income stream will continue. It won't work very well if you are a low earner without very much cash flow every month.

If you decide to implement the equity accelerator concept with one of my recommended suppliers, you may be charged for the cost of the software, closing costs associated with the new loan, or a consultation fee. You won't be able to do this without any costs, but done right, the system should be profitable. It works best if you limit the money you spend to implement the strategy.

The risks of mortgage acceleration are these: If you fall back into conventional practice, relying on your checking account for deposits and bill paying, you defeat the purpose of the strategy and could extend the life of your debt instead of paying it off quickly. If you aren't disciplined about paying your bills on time out of your HELOC, you could end up with late fees. If you lose your job and the extra cash flow that makes the mortgage acceleration system work, that leaves you dependent on that open-ended variable-rate environment. If interest rates then rise, you could end up going backwards.

However, if there is a disruption in income, you can rely on the available equity in the HELOC to sustain your lifestyle until income is restored-assuming it will indeed be restored. In this scenario the acceleration process will be interrupted, but you won't find yourself in a stressful situation wondering how to make ends meet.

And yet, there are rewards even beyond the big one of doing away with your mortgage very quickly. You can run other debts through your HELOC as well. Do you have some expensive credit card debt sticking around? A costly car loan? You can use this acceleration strategy even if you don't have a conventional mortgage-if you simply have a lot of consumer debt or a big HELOC balance you'd like to burn through quickly. If you have a fixed-rate long-term mortgage with a very low interest rate and a big HELOC balance, you can leave the fixed-rate mortgage alone and simply use this technique to get the HELOC paid off before interest rates rise. And, ready for this, once the HELOC is paid off you can utilize the equity
in the HELOC to accelerate the pay off of your conventional mortgage. The HELOC is a very powerful tool once you know how to use it.

The biggest benefit of running your family finances through your HELOC is flexibility. It puts you in charge of your money, not some faceless mortgage banker. If money is a little tight one month, you don't have to worry about how the bills will get paid. Life will go on as usual. The principal balance on the HELOC won't be reduced as much as in the previous month, but the money will be there to cover your expenses. If you get a raise, you can put the extra money to work in your HELOC every paycheck. If you make extra payments on your traditional mortgage and then need the money back for an emergency, you're in trouble: Mortgage bankers don't give refunds. If you make extra payments to your HELOC and then have an emergency, you can simply write yourself a check to cover it, because it is a revolving line of credit. This is the beauty of this strategy; you maintain absolute freedom and authority over your finances.

This strategy can be especially useful at a time like this, because the alternatives for your extra cash don't look great. Today money market mutual funds and banks are paying less than 1 percent interest for your savings. It's hard to think of a place where you can earn more money on your cash than it can earn by working to pay off your mortgage early.

## Do It Right

The concept behind mortgage acceleration is beautifully simple, but the execution can be complex. Here are some pointers for doing it right.

- You have to get the right loan. Until the recent credit crisis, there were a couple of special mortgage lenders in the United States who were specialists in the HELOC mortgage acceleration market. These special lenders offered long (20 years or more) draw and payoff periods and very facile checking and transfer privileges. Unfortunately, those accounts have dried up and are not widely available. Here's hoping that they come back. In the meantime, you have to find yourself a decent HELOC. You can go back to the previous chapter to see how to do that.
- You have to set up easy transfers. Because accelerator HELOCs don't exist right now, you have to do most of the transferring yourself. That means setting up a HELOC that links quickly with your checking account, so you can be moving money into your HELOC as soon as you get paid, and moving it back out only when you have to pay a bill. Often it is possible to set up your checking account at the same bank that gave you the HELOC. It helps to have a HELOC with broad check-writing privileges. That way you can pay your bills on time with a HELOC check and get a few more days of float in your loan account before the check clears.
- You have to make sure that you're using the HELOC as the primary depository for your income. Of course, if you continually draw too much money back out, you'll go backward instead of forward. The system works best when the monthly surplus (income less expenses) is continually applied toward the outstanding balance of the HELOC every month. That mitigates the interest cost and reduces the principal.
- Can you do this for yourself?. Absolutely, if you're driven and disciplined. You must have a rudimentary understanding of current HELOCs so you can obtain the proper financing. You must also understand how to effectively deposit income and pay expenses if you want to get the most out of this program. I recommend that you hire an expert to make sure you have all of the right pieces and the moving parts in the proper sequence.


## Suggested Companies

There are four companies listed here, and I think it's pretty obvious that I have my favorite. However, you should check in with all of them and see which one offers the best combination of service and cost to please you.

1. Truth in Equity (www.truthinequity.com). At Truth in Equity, Bill Westrom and his colleagues take a holistic approach in the analysis and evaluation of your family's financial situation and decide whether mortgage acceleration makes sense for you. If you go ahead with the program, his company will prepare spreadsheets and specific directions to help you accelerate your accelerator, so to speak. His firm acts as consultants. I like
that, because it provides you with a dedicated staff to protect you from making a poor financial decision, and they are there to help you achieve the projected payoff goal. Every month, Bill and his colleagues will monitor your activity and evaluate your performance. This monthly counseling session will help identify any weaknesses in your performance so you can make corrections and maintain the course to a debt-free life.

I do recommend this particular program, because I know Bill and have seen his spreadsheets. I like his hand-holding, consulting model. I know it works.
2. The Money Merge Account (www.unitedfirstfinancial.com/ moneymergepage.html). United First Financial is a software company that sells equity accelerator software through agents and offers coaching to homeowners who want to use this debtreduction system.
3. No More Mortgage (www.nomoremortgage.com). This firm also offers the mortgage acceleration alternative, and it sells other debt consolidation and elimination plans as well. It is a multilevel marketing company that basically sells the software you can use to design your own mortgage acceleration plan.
4. Harj Gill's Speed Equity (www.speedequity.com). Harj Gill, another player in this same market, got his start in Australia, where these products have a longer history. Learn more from his book, Own Your Home Years Sooner (American Mortgage Eliminators Publishing, 2003).

## Broaden Your Scope

Once you've gotten the mortgage acceleration plan down, there is a lot you can do with it. As long as your line of credit is sufficiently large, you can consolidate all of your other debts into it, and get completely debt free faster than you thought possible. You can pay off your home in five to seven years, and then with this new heightened level of financial expertise you can use your HELOC to buy a second vacation or retirement home. (Don't look now, but real estate prices are pretty attractive.)

You can also self-finance your next car, self-finance your next tuition bill, or start that side business without having to fill out a million forms and beg some banker. You can be your own banker now. I told you it would be a good secret!

