

30-Year Mortgages: How Much Will You Pay?

The chart below shows the amount of principal and interest you can expect to pay on a 30-year mortgage over a range of interest rates and loan amounts. You can use it to estimate a figure for the monthly payment you can expect to make on a home. Keep in mind that the figures do not include the escrow portion of your payment that most lenders require for real estate tax, mortgage and hazard insurance.

Mortgage Amounts (\$)									
Interest (%)	90k	100k	110k	120k	130k	140k	150k	160k	170k
6.5	568.86	632.07	695.27	758.48	821.69	884.90	948.10	1011.31	1074.52
6.625	576.28	640.31	704.34	768.37	832.40	896.44	960.47	1024.50	1088.53
6.75	583.74	648.60	713.46	778.32	843.18	908.04	972.90	1037.76	1102.62
6.875	591.24	656.93	722.62	788.31	854.01	919.70	985.39	1051.09	1116.78
7.0	598.77	665.30	731.83	798.36	864.89	931.42	997.95	1064.48	1131.01
7.125	606.35	673.72	741.09	808.46	875.83	943.21	1010.58	1077.95	1145.32
7.25	613.96	682.18	750.39	818.61	886.83	955.05	1023.26	1091.48	1159.70
7.375	621.61	690.68	759.74	828.81	897.88	966.95	1036.01	1105.08	1174.15
7.5	629.29	699.21	769.14	839.06	908.98	978.90	1048.82	1118.74	1188.66
7.625	637.01	707.79	778.57	849.35	920.13	990.91	1061.69	1132.47	1203.25

How to Pay off a 30-Year Mortgage in 15 Years Without Really Feeling It



Want to own your home by the middle of the next decade, but can't handle the monthly payments on a 15-year mortgage right now? Try applying the "Three Percent Rule" to your 30-year mortgage. Here's how it works: You make your regular monthly payments for the first year of the loan. At the beginning of the second year, you take an amount equal to three percent 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 7.25 percent:

	MONTHLY INTEREST/ PRINCIPAL	3% ADDITIONAL PAYMENT	TOTAL MONTHLY PAYMENT
1ST YEAR:	\$ 682.18	--	\$ 682.18
2ND YEAR:	\$ 682.18	\$ 20.47	\$ 702.65
3RD YEAR:	\$ 702.65	\$ 21.08	\$ 723.73

And so on. In effect, you're giving your lender an "annual raise" of three percent — likely less than the cost of living. And the reward is full ownership of your home in about half the time called for by the term of your mortgage!