

CHOOSE YOUR FUTURE TODAY

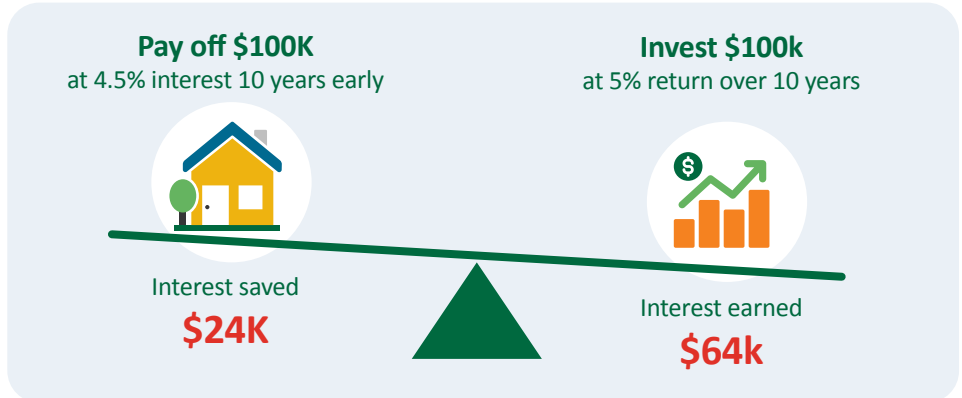
Pay Off Your Mortgage or Invest?



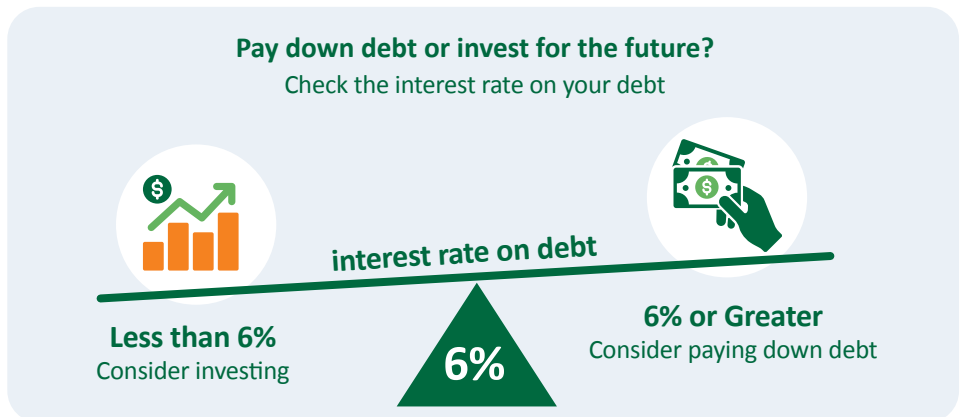
As you prepare for retirement, you may debate whether to pay off your mortgage or invest extra funds. While paying off your mortgage can provide peace of mind, investing may offer more significant long-term advantages. The pros and cons of an early mortgage payoff typically depend on your financial circumstances, the mortgage's interest rate, and proximity to retirement.

- 1 **Investment Returns:** Historically, the stock market has delivered returns that exceed typical mortgage interest rates.
- 2 **Tax Advantages:** Mortgage interest may be tax-deductible.
- 3 **Increased Liquidity:** Funds tied up in your home can be more challenging to access.
- 4 **Diversification:** Investing allows you to build a diversified portfolio.
- 5 **If You Haven't Saved Enough for Retirement:** If you're not maxing out your contributions to your 401(k), IRA, or other retirement accounts (or making larger catch-up contributions if eligible), it might be better to prioritize these savings before focusing on paying down your mortgage.

- 6 **If You Have a Low-Interest Mortgage:** If you secured your mortgage at a low interest rate, investing extra funds may yield better returns than paying off your mortgage.



- 7 **If You Plan to Move Soon:** If you don't intend to stay in your home for many years, consider making only the minimum mortgage payments.
- 8 **If You Have a Higher Risk Tolerance:** While long-term investing generally provides positive returns, investment returns aren't guaranteed.



Ways to Pay Off Your Mortgage Faster While Still Investing

- 1 **Switch to Biweekly Payments:** Instead of making a monthly payment, consider paying half your mortgage bi-weekly.
- 2 **Make Regular Overpayments:** Adding a little extra to your monthly payment will help you pay down your loan faster.

- 3 **Occasional Lump-Sum Payments:** Whenever you have extra cash, such as a bonus or tax refund, consider making a lump-sum payment toward your mortgage.

The benefits of paying off your mortgage can vary depending on your financial circumstances. Look at your situation and decide what path is best for you.