

2025 Mortgage Payoff Checklist

Instructions: Check off each step as you complete it to decide if paying off your mortgage early is right for you in 2025!

- **Step 1: Review Your Loan Terms**
 - Check for prepayment penalties (e.g., 1-2% of balance).
 - Note your current interest rate (e.g., 4.8%) and remaining term (e.g., 20 years).
- **Step 2: Calculate Your Savings**
 - Use a mortgage calculator to estimate interest savings (e.g., \$72,000 for a \$250,000 loan at 4.8% over 20 years).
 - Write down your total savings: \$_____.
- **Step 3: Compare Investing Options**
 - Estimate potential investment returns (e.g., 6% over 20 years = \$125,000 on \$250,000).
 - Compare to mortgage savings: Payoff (\$) **vs.** Investing (\$).
- **Step 4: Assess Tax Implications**
 - Confirm your loan balance vs. the \$500,000 deduction cap.
 - Consult a tax advisor: Will losing the interest deduction increase your taxes? Yes/No (circle one).
- **Step 5: Plan Your Strategy**
 - Decide: Full payoff, extra payments (e.g., \$200/month), or refinance (e.g., 15-year at 4.3%).
 - Set a monthly action goal: \$_____ or refinance by [date].
- **Bonus: Emergency Fund Check**
 - Verify you have 3-6 months' expenses saved (e.g., \$10,000-\$20,000) before paying off.

Next Steps: Review your checks. If payoff savings outweigh investment returns and tax losses, start today! Track your progress monthly.