

Your best mortgage? Just part of the plan

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Considering your mortgage in the context of your overall financial plan can help you pay your mortgage off faster while achieving all your financial goals, says **Karin Mizgala, CEO of Money Coaches Canada**, a national network of fee-only financial experts. “You’re more likely to consider all of your priorities and values – and that tends to lead to financial decisions that provide more life satisfaction.”

Really thinking about what’s important to you – how you want to live your life and the tradeoffs you’re willing to make – can provide motivation for debt repayment as well as savings and wealth creation, she says. “More context tends to create more commitment.”

Mortgage broker Paula Roberts, AMP, agrees. “We help our clients look at their whole financial picture in order to pay down their mortgage and start creating wealth. Quite often, for example, we’ll sit down with a client and find that, in addition to their mortgage, they have \$30,000 in low-return investments and \$50,000 in high-interest credit card debt.”

By restructuring their debt, families often find they can save hundreds of dollars each month while paying off their debt just as fast or faster, she says. “If they save \$400 each month and invest even \$300 of that, they’ll have a bit of a nest egg at the end of five or 10 years.”

While it can be satisfying to have a smaller mortgage, it’s not always smarter, says Ms. Roberts. “Mortgage debt is the lowest interest debt available. Having a mortgage is not a bad thing if you’re using it to create wealth.”