

Paid on time. Barely moved.

Where your mortgage repayments really go, the three mistakes adding years to most home loans, and how homeowners are aiming to be done in 8 to 10 years, not 25 or 30.

Home loan annual statement

Year 1 of 30

Opening balance	\$500,000.00
Repayments made, 12 of \$3,078.59	\$36,943.08
Interest charged	\$31,084.08
Came off your loan	\$5,859.00
Closing balance	\$494,141.00

Illustration only. A \$500,000 principal-and-interest loan over 30 years at 6.25% p.a.

**James Iodice**

Founder, Brixel Property Partners

A six-minute read.
General information only, not advice.



Before you read on

Have a guess.

You borrow \$500,000 at 6.25% over 30 years. You never miss a repayment.

How much interest do you pay?

Say a number out loud. Then turn the page.

For scale, the average new owner-occupier home loan in Australia was **\$731,000** in the June quarter of 2026. The example in this report is smaller than that on purpose. Source: Australian Bureau of Statistics, Lending Indicators, June Quarter 2026.



The answer

\$608,292

You pay back \$1,108,292 for a \$500,000 loan.

Most people we speak with did everything they were told. Worked hard, bought the house, paid on time. And the mortgage still feels like it's barely moving.

Early on, that's because it isn't.

After ten years of statements

Illustration

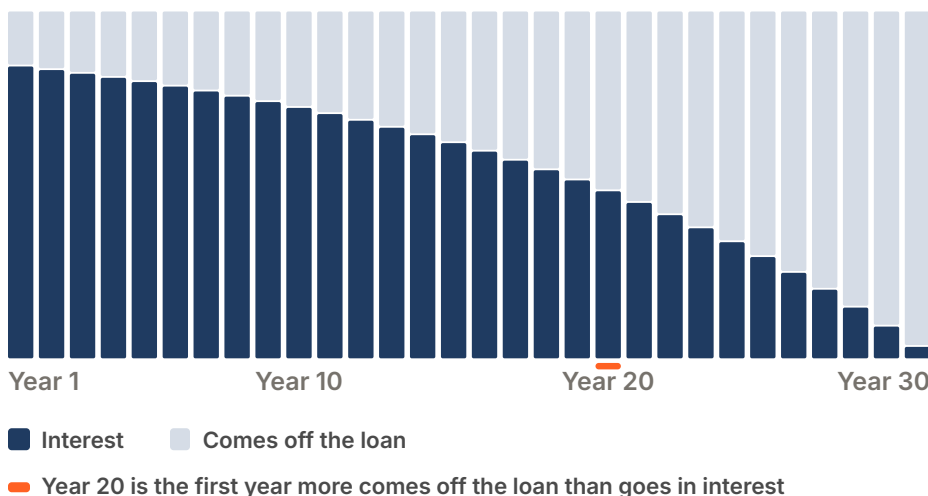
Repayments made	\$369,430
Interest charged	\$290,619
Came off your loan	\$78,811
Still owing	\$421,189

Same loan: \$500,000 over 30 years at 6.25% p.a., minimum monthly repayments of \$3,078.59, no fees or rate changes.



Where each year of repayments goes

Dead money, with a different name.



For the first ten years you pay about **\$37,000** a year. About **\$29,000** of it is interest. Under **\$8,000** comes off the loan.

You know how people say rent money is dead money? Look at those numbers again. That's dead money too. It's just going to a bank instead of a landlord.



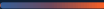
The rule behind all of it

Interest is charged every day.

Whatever you owe today, the bank works out a bill for today. Tomorrow it does it again. Once a month, the lot gets added to your loan.

Owe \$500,000		\$85.62 a day
Owe \$450,000		\$77.05 a day
Owe \$400,000		\$68.49 a day

Illustration at 6.25% p.a. Daily interest is the balance multiplied by the rate, divided by 365.



So the whole game is getting what you owe each day as low as possible, as fast as possible.

Most people have heard this before. Most still don't use it.



Be honest

Three questions.

1 Do you know how much you spend each week?

☐ Yes, to the dollar ☐ Not really

2 Have you ever refinanced for a lower rate, or thought about it?

☐ Yes ☐ No

3 Is anything other than your pay working on your mortgage?

☐ Yes ☐ No, just our pay

The three places people get it wrong, and lose years, are exactly those.



Mistake one

No clear number to live on.

Without one, the mortgage only ever gets whatever's left over. Some months that's something. Some months it's nothing.

It usually isn't about earning more. It's about deciding the number first, so the loan stops coming last.

Illustration: \$100 a week, set aside on purpose

8 years 3 months sooner

The loan is finished 8 years 3 months early and you pay **\$193,639 less** interest. Same \$500,000 loan, with \$100 a week on top of the minimum repayment from day one.



Mistake two

Chasing a cheaper rate and resetting the clock.

A refinance often goes back out to 30 years. So you save point two of a percent, and add years and tens of thousands of dollars back onto the mortgage.

The repayment drops, so it feels like a win. Nobody tells you the rest.

Illustration: five years in, you take 0.20% off your rate

Back out to 30 years

Repayment **down \$266 a month**

Interest from here **+\$89,118**

Loan finishes **5 years later**

Keep the 25 years left

Repayment **down \$57 a month**

Interest from here **\$17,232 less**

Loan finishes **on time**

If you've done it, don't worry. No one knows until they know.



Mistake three

Only one thing is working on the mortgage. Your pay.

For most people, the only thing working on the home loan is their pay. And when people do invest, they're usually doing it alone, with no plan for how it helps the home loan.

Pay alone can do it. It just asks a lot.

Illustration: clearing that \$500,000 loan in 10 years on pay alone

\$585 a week extra

That is what you would need to find on top of the minimum repayment, every week, for ten years. To do it in 8 years, **\$820 a week**.



The other side of it

How people are getting it done.

Three moves. They line up with the three mistakes.

1 The budget.

They give themselves a set amount to live on each month. Decided first, not worked out from what's left.

2 The structure.

Their pay goes straight into an offset or redraw account that sits against the home loan. They draw the budget out, and everything else stays there. Because interest is charged daily, every dollar sitting there cuts the interest every single day.

3 The investment.

Some add a second engine. They use some of the equity in their home to buy an investment property. That's a different kind of debt: the property pays rent, and the interest is generally tax deductible. The rent and the tax savings go into that same account against the home loan.

Each move is simple on its own. The next page shows what happens when they run through one account.



On one page

One account. Everything runs through it.



So the home loan has the salaries, the rent and the tax savings all working against the interest. Not just whatever's left over.

General picture only. Whether an offset or redraw suits you, and how any investment is taxed, depends on your circumstances. Those are questions for a licensed broker and your accountant.



The part most guides skip

What this can't promise.

It doesn't stack up for everyone.

Whether it would work for you, we have no idea yet. It depends on your numbers.

8 to 10 years is the aim, not a guarantee.

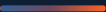
Some people get there. Some take longer. Some are better off with moves one and two only.

An investment property is more debt before it's less.

Rent can stop, rates move, and property values fall as well as rise. Nobody can tell you what a property will be worth.

We left things out on purpose.

Which account, how much budget, which property, in what order. Those answers are different for every household, and a guess would be worse than nothing.



Anyone who promises you a result before they've seen your numbers is guessing.



What happens next

Which of these are you making?

This report is the general picture. The next step is finding out what it looks like on your numbers.

1

A quick call

Phone, 5 to 10 minutes

A few questions about where your mortgage is at. If it could stack up, we'll say so. If it can't, we'll tell you that too.

2

Clarity Call

Phone, 15 to 20 minutes, with both of you

How it all works, the mistakes adding years, and which of them you might be making. Yours to keep, whatever you do with it.

3

Brixel Blueprint Session

Zoom, 1 hour, with James

A clear budget you can actually stick to, the year you could have your home paid off, and how property fits in on the income you're already on.

If James can't show you how to take time off your mortgage, we transfer you \$250 for your time.

One of our team will call you about this report. Want it sooner?

Call **0413 717 381** or email **james@brixelpropertypartners.com.au**



Who wrote this

The people behind it.



James Iodice

Founder, Brixel Property Partners

James built the Brixel Blueprint and he's used it himself. He paid off a million-dollar property by 31.

We help homeowners who are doing everything right on the mortgage but find it's still barely moving.

There are two sides to this, finance and property. We work alongside licensed finance brokers who specialise in the finance structure. Some clients choose to go further through property, using our licensed buyers agency service.

11 years

in the property industry

600+

clients helped

\$300M+

in transaction exposure

55-point

due diligence framework

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