



**Farmers &  
Merchants Bank**  
Where Family is our Foundation

# 15-Year Term Vs 30-Year Term

When it comes to deciding between a 15-year term mortgage vs a 30-year term mortgage, the right choice will depend on your personal circumstances. Below are some factors to consider when deciding which way to go:

**Affordability:** The first thing to consider when deciding between a 15-year term and 30-year term is the difference in monthly payments. A 15-year term will tend to have a higher monthly payment due to paying the principal back in half the time.

**Your overall finances:** While using a 15-year mortgage plan to pay off your home will save money in the long run, it is important to keep in mind you will have less cash each month for other financial goals.

**Your age and job situation:** When deciding which mortgage term to pick, you have to consider how stable your income is. It is highly recommended to think about passing on a 15-year term if it means not having a substantial amount to make contributions to your 401 (k), individual retirement account and/or savings plan.

For more information, read [here](#).



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