



# PILLMETHOD

*"Your Interest Cancellation Experts"*

TRUST

## If It Sounds Too Good To Be True.....

### ***LISTEN HARDER!***

I first heard of the Pill Method Trust when I met Don Daniel at a networking function. As Don explained how with this program I could cut 75% of the interest off my mortgage and pay credit card debt off in record time without refinancing anything or changing my

budget, my thoughts were, "I can't afford to buy into anything." It was taking all of my money each month just to keep the creditors quiet, paying someone to show me how to save money was out of the question. Besides, have I not always been told that if something sounds too good to be true, it probably is? This definitely sounded too good to be true.

Over the course of the next few weeks I ran into Don at several other functions and each time he told how the PILL Method Trust could help me move my money from the bank's side of the ledger and move it to my side.

for the lending institution. After hearing this four times I asked Don if he would come to my office and talk to me. I still didn't know if I could even afford to think about the PILL Method, but I was definitely curious.

You see, my mother passed away in 2002 and I "inherited" everything she had. This included a house that needed lots of work and a lot of debts, the only way I had to take care of this was with credit cards. So there I was

ten years later still trying to pull myself out of debt, when all I was really doing was taking each paycheck and pay-

ing all that I could on everything while having the



Mary Wimbs

overwhelming feeling that there would never be an end to it.

Don came to my office that day in May 2012 and explained how the system works. He asked a few non-invasive questions and plugged my monthly income along with my monthly obligations into the system and told me when I would be out of debt. I didn't get it. I am not a numbers kind of

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How I could make my money work for me and not

### ***P.I.L.L.***

*stands for*

***P-Prepayment of Principal***

***I-Isolation of Principal Amount***

***L-Leverage***

***L-Liquidity***

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*I honestly felt like this was the answer to that prayer.*

person and I just did NOT understand how this would work. Don left some information for me to review on my own then called a few days later to see if I had any questions. Did I ever! He came back to my office and answered all the questions I had at that time.

This all came about at a time when I was realizing that I could not keep borrowing from Peter to pay Paul. I had contemplated a program that I had seen on TV where you send your money to a third party and they hold it for a few months then make a deal with the creditor to settle for the amount of money they have

collected from you. It ruins your credit and what was more important to me was that I would not be paying back all the money I had borrowed. I thought about that and knew I couldn't do it. I had borrowed the money and I would pay back every cent... somehow. I prayed and prayed from the depths of my soul that God would send me a solution that I could live with.

*"I've got it! I've got it!" The light finally came on and I couldn't get started implementing the Pill Method fast enough.*

After talking with Don and him being so genuine and

transparent about how all this worked, I honestly felt like this was the answer to that prayer. I am not an easy sell on anything and most certainly not on something that I really don't understand, but after Don met with me FIVE times and he was not charging me one cent to counsel me and explain the PILL Method to me, I jumped up one day and said "I've got it! I've got it!" The light finally came on and I couldn't get started implementing the PILL Method fast enough. Everyone that was involved with the Pill Method was so very warm and helpful that I knew this was the right decision. I looked forward to the coaching sessions that I had for the

next several weeks with the customer service reps. This was a service included at no extra charge and was like talking to old friends who were helping to look out for my wellbeing. When I could see the exact date that I would be debt free and it didn't say something like "You will be out of debt 2 days after you die". I felt not only that a burden of debt was lifted off me, but so many other burdens left with that one. Now I can see where my money is working for me, I actually have money that I can spend on my grandsons and not feel guilty and I will pay everything I owe and be debt free in just 5 short years!

— Mary Wimbs

## Help us Celebrate ....the 80<sup>th</sup> Anniversary of the 30-Year Mortgage!

by Don Daniel

In 1934 the amortization of 15 and 30-year loans was created using a sliding ratio that changes over the life of the loan to figure the amount of principal and interest in each

*At the end of one year you would have paid \$3,688.34 towards your principal and a whopping **\$12,416.26** paid in interest alone!*

payment. This amortization is frontloaded for interest, meaning an average 70% to 85% of

your mortgage payment is interest with the rest being applied to principal in the first years of your loan. As the loan matures more of your payment is calculated to go towards principal and the interest payment becomes less over time.

This is why borrowing \$250,000 at 5% with a 30-year amortization, your first payment breaks down like

this, our mortgage payment is \$1342.05 with \$1041.67 going to interest and \$300.38 going towards paying down the

*That is called frontloading the interest.*

principal. So at the end of one year you would have paid \$3688.34 towards your principal and a whopping **\$12,416.26** paid in interest alone! So putting it another way; out of the total **\$16,104.60 in mortgage payments for**

*the year, 77% of that money was paid in interest to service the loan!* That is called frontloading the interest. Here are some other interesting facts about frontloading interest:



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## ...the 80<sup>th</sup> Anniversary of the 30-Year mortgage!

- It will take 16 years 3 months for the sliding ratio to get to the point where you are paying more towards your principal than to interest out of your monthly payment. By this time you will have paid **\$171,603.80** in interest alone! Add to that principal payments of **\$90,095.86** you have a grand total paid out of **\$261,699.66** and you STILL have not reduced your principal balance by half with \$159,904.14 left to pay on your mortgage!
- Speaking of paying off half the mortgage...that won't happen until you reach payment month 242 of your mortgage amortization, that's 20 years 2 months! Meaning because of frontloaded interest it takes 20 years and **\$199,675.34** in interest to payoff the first \$125,000 of your principal balance. At month 242 in your amortization schedule, out of your hard earned money, you have contributed \$125,100.76 towards principal and **\$199,676.34** towards interest. For a grand total of, to pay off HALF your mortgage, **\$324,776.10!**
- Now it will take just 9 years 10 months to payoff the rest of your mortgage. That is if most people did it that way. The truth is 90% of all people who get a mortgage never get out of mortgage debt! Because every 5 to 7 years consumers are refinancing, or upgrading or downsizing their homes!
- Now because of the previous point we can now talk about effective interest rate! The loan we have used for our example in this article is \$250,000.00 at 5%. The problem is the total interest cost. When a consumer closes on the loan the total interest cost for the life of this loan is revealed to them, it calculates out to be a staggering **\$233,138.00!** **By no stretch of the imagination is that 5%!...that is an effective interest payment or total interest paid as a percentage of principle of 93.255%! Lenders use a complicated amortization formula to determine how much interest you pay.  $P=L[c(1+c)^n] / [(1+c)^n-1]$  This formula turns your 5% loan into a 93.255% loan! On average, if you follow the lenders schedule, you will pay 75% more interest than you need to for your first loan. Now as we consider an unbroken string of refinances and the purchasing of new homes the consumer in this situation will pay about 500% interest on principal borrowed over their working life and even more is added on in retirement!**

Here is a valuable rule of thumb, when a new bank product or service is introduced and marketed to save you time and money on your mortgage ask yourself this question; if I am saving money.....who's losing it? If your answer is the bank, think again!

**If all this is true, why then are we celebrating the 80<sup>th</sup> anniversary of the 30-year mortgage?** Well, we here at the PILL Method Trust have discov-

*If all this is true, why then are we celebrating the 80<sup>th</sup> anniversary of the 30-year mortgage?*

ered the secret to end this Financial Violence. Through

education and the use of specialized technology (The P.I.L.L. Method Financial Robot) it is

possible to cut your interest cost and the length of a 30-year mortgage significantly.

We are holding Mortgage Burning parties around the country to educate all consumers just how amortization really works and how to cut

All this **without refinancing, your payments stay**

*..without refinancing, your payments stay the same and with no increase to your current budget!*

**the same and with no**

**increase to your current budget!** We will also show you how you can pay off all your debt, including student loans, auto loans and credit cards in the same 10 to 12 years!

We really believe these home parties will set the country ablaze with this knowledge that is taught nowhere else but here at the PILL Method Trust!

After these parties individuals will be able to answer such questions as:

◇ Why do lending institutions work so hard to refinance my loan every 5 to 7 years?

◇ Why shouldn't I put down a large down payment on my home?

◇ Why refinancing to a lower interest rate may make it **Harder** for me to pay off my mortgage?

◇ Why the answer to the question, "Should I get a 15-year mortgage or a 30-year mortgage?" **is; never purchase a 15-year Mortgage!**

◇ Is it really possible to pay off my huge student loan in 5 to 7 years?

## Help us Celebrate ....

In 2014 we will be celebrating the advent of the 30-year amortized mortgage in 1934 with the most comprehensive and sweeping reforms in mortgage history through our Seminars and Home Parties. All of you can participate by hosting a Seminar or Mortgage Burning Party in your town via your church or service club or in your home for your friends and family members. They will thank you for your forward thinking and including them in your newfound prosperity.

Contact our office today to find out how you can participate in the biggest thing to happen to the Mortgage and Loan industry in 80 years!

**Now what would an anniversary be without gifts? For everyone who organizes a Seminar or Mortgage Burning Party it is possible to receive up to \$3500.00 or MORE in gift cash... Call today and learn how this could be YOU!**



In the US call 256-886-1867 In Canada call 705-324-3819

### Coming Events:

Financial Exposé January 31st –February 2, 2014

First Tuskegee SDA Church 308 Lennard Ave. Tuskegee AL 36083

Church Office 334-727-7198 or The PILL Method Office 256-886-1867



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*Wishing you  
the Very  
Best in 2014!!*