

Wealth Creation is easily possible along with Home Loan Repayment!!

Year s	Home Loan (EMI of 50000 pm)	Year	Start additional 10% of EMI to MF SIP and increase by 10% each year	Valuation (@12% returns)
1	6,00,000	2022	60,000	60,000
2	6,00,000	2023	66,000	1,33,200
3	6,00,000	2024	72,600	2,21,784
4	6,00,000	2025	79,860	3,28,258
5	6,00,000	2026	87,846	4,55,495
6	6,00,000	2027	96,631	6,06,785
7	6,00,000	2028	1,06,294	7,85,893
8	6,00,000	2029	1,16,923	9,97,123
9	6,00,000	2030	1,28,615	12,45,393
10	6,00,000	2031	1,41,477	15,36,317
11	6,00,000	2032	1,55,625	18,76,300
12	6,00,000	2033	1,71,187	22,72,643
13	6,00,000	2034	1,88,306	27,33,666
14	6,00,000	2035	2,07,136	32,68,842
15	6,00,000	2036	2,27,850	38,88,953
16	6,00,000	2037	2,50,635	46,06,262
17	6,00,000	2038	2,75,698	54,34,712
18	6,00,000	2039	3,03,268	63,90,145
19	6,00,000	2040	3,33,595	74,90,558
20	6,00,000	2041	3,66,955	87,56,379
	1,20,00,000	2042	Home Loan Repayed + Corpus Built	98,07,145

The above analysis shows a home loan EMI of 50,000 per month for the next 20 years. Along with that, we recommend an SIP of just 10% of the EMI amount. So we start with an SIP of 5000 per month. Considering that our income increases every year and the EMI stays constant, we also recommend an increase in SIP by 10% every year.

In the big scheme of things, this SIP amount might not seem like much, but the end result is staggering! The above analysis shows that, at the end of 20 years, the home loan is also completely repayed and in addition, the person has amassed a wealth of almost 1 Crore by the side!!!

In more ways than one, we once again reiterate the power of regular investing and benefits of compounding! With an average of 12% CAGR at the end of 20 years, this person has become a **proud home owner** as well as a **Crorepati !!**