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Your Mortgage Coach

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Rent Vs Own

1st_Time Buyer
1234 Main Street
Anywhere, KS 66212

FOLLOW THESE 3 SIMPLE STEPS:

- 1 SUMMARY displays a comparison showing your total monthly rent vs a breakdown of a proposed mortgage plan
2. Review and compare the benefits of homeownership over time
3. ASSET ACCUMULATION shows how you can invest x amount of money for your future to increase your net worth

Summary

This summary table displays the benefit opportunity of homeownership. The rent column displays the amount you are currently paying in rent. The buy column reflects the cost and benefits of homeownership.

See the benefits of Homeownership in action. After taxes, your net monthly cost of Homeownership would be:

\$940

Offering a monthly Homeowner benefit of:

\$0

Rent		Homeownership	
Rent	\$825	P&I	\$1,012
Insurance/Other	\$25	Taxes/Insurance/HOA	\$373
Total Rent	\$850	Total PITI	\$1,385
		Tax Benefits	\$300
		Principal Paid	\$145
Net Monthly Cost	\$850	Net Monthly Cost	\$940

Assumptions		Assumptions	
Rental Increase/Yr	6%	Appreciation	3%
		Tax Bracket	28%
		Purchase Price	\$165,000
		Interest Rate	6.500%
		APR	6.623%
		Down Payment	\$4,950
		Closing Costs	\$2,050
		Total Cash to Close	\$7,000

Ownership Analysis

The benefits of Homeownership can be seen over time. The tables in this analysis reflect the cost savings as well as the equity you will build based on principle reduction and appreciation rates of your property.

Months: 84

The Mortgage Insurance payment cut off month is: 63

Months: 120

Rent		Homeownership	
Total Payment	\$85,199	Total PITI	\$114,124
Principal Paid	\$0	Principal Paid	\$15,339
Tax Benefit	\$0	Tax Benefit	\$24,344
Net Cost	\$85,199	Net Cost	\$74,442
Real Estate Value	\$0	Real Estate Value	\$196,133
Loan Balance	\$0	Loan Balance	\$144,711
Total Home Equity	\$0	Total Home Equity	\$51,422

Rent		Homeownership	
Total Payment	\$133,490	Total PITI	\$160,227
Principal Paid	\$0	Principal Paid	\$24,366
Tax Benefit	\$0	Tax Benefit	\$34,090
Net Cost	\$133,490	Net Cost	\$101,771
Real Estate Value	\$0	Real Estate Value	\$211,214
Loan Balance	\$0	Loan Balance	\$135,684
Total Home Equity	\$0	Total Home Equity	\$75,530

Asset Accumulation

The benefits displayed in asset accumulation show how investing monthly can increase your net worth.

Investment		Investment	
Opening Balance	\$0	Opening Balance	\$0
Monthly Amount	\$100	Monthly Amount	\$50
Return Avg.	6.000%	Return Avg.	6.000%
Years	Amount	Years	Amount
7 yrs	\$10,407	7 yrs	\$5,204
10 yrs	\$16,388	10 yrs	\$8,194

Benefits		Benefits	
By 10 yrs, your TOTAL NET WORTH will reach \$16,388.		By 10 yrs, your home's equity is \$75,530. Your asset account is \$8,194. Your TOTAL NET WORTH will reach \$83,724.	

NOTICE AND DISCLAIMER: The results above are based on (i) information provided by you, (ii) estimates of interest rates, your ability to save, your tax bracket, closing costs and other amounts, (iii) currently available loan programs and (iv) information and assumptions discussed with your advisor; all of which might change over time. If the information or assumptions are not correct or change, then the results above will change. Your advisor will provide additional information about costs, fees and other information required by state and federal law.

