

After Tax Implication of Home Ownership and Gain in Net Worth by "Riding the Equity Bandwagon!"

After Tax Implications of Home Ownership					
1st Time Buyer					
Estimated Tax Bracket	28.00%	Extra \$\$\$ / Mo		0	
Conv Loan With Monthly PMI					
Principal and Interest	\$ 1,012	Comparable Rent Would Be Approximately \$ 1,057	Interest Paid	\$ 10,351	W-4 Exempt per month
Taxes	\$ 206		Annual Taxes	\$ 2,475	
Insurance	\$ 64		PMI	1248	
PMI	\$ 104		Total Deductible	\$ 14,074	
TOTAL PAYMENT	\$ 1,386		Tax Liability Improves by	\$ 3,941	
Created by Jim Yarrington 8/3/2008 http://www.irs.gov/individuals/article/0,,id=96196,00.html					

Net Worth w/ Home Ownership	
<u>National Home Appreciation Rates</u>	
Number of Months	84
Annual Appreciation	2.50%
House Price	165,000
Annual Appreciation	2.50%
Months in Home	84
Value of Home	196,133
Loan Balance \$	144,711
Net Worth	51,422
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