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RENT VS OWN

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MONTHLY HOME OWNERSHIP ANALYSIS

MONTHLY ANALYSIS	Rent	Ownership	
	Payment	\$1,600	\$892
	Taxes, Insurance & Other	\$20	\$281
	Total Payment	\$1,620	\$1,173
	Tax Benefit	\$0	\$243
	Principal Paid	\$0	\$172
Net Monthly Payment	\$1,620	\$759	

Rent Assumptions	Ownership Assumptions
Rental Increase/yr: 2.000 %	Appreciation: 2.900 % *
	Tax Bracket: 28.000 %
	Purchase Price: \$160,000
	Interest Rate: 5.500 %
	APR: 5.593 %
	Down Payment: \$2,898
	Closing Costs: \$1,626
	Total Cash to Close: \$4,524

This analysis was designed to display the benefit opportunity of homeownership. The rent column shows the amount of rent you are currently paying and the homeownership column reflects the proposed purchase of a new home.

Net Cost of Home Ownership is \$759/mo. The net monthly cost number reflects the actual cost of owning after considering the tax deduction and backing out the principal portion of your payment.

OWNERSHIP ANALYSIS

84 MONTHS ANALYSIS	Rent	Ownership	
	Total Payment	\$144,418	\$98,556
	Principal Paid	\$0	\$17,571
	Tax Benefit	\$0	\$19,510
	Net Cost	\$144,418	\$61,475
	Real Estate Value	\$0	\$160,000
Loan Balance	\$0	\$139,532	
Total Equity	\$0	\$20,468	

120 MONTHS ANALYSIS	Rent	Ownership	
	Total Payment	\$212,635	\$140,794
	Principal Paid	\$0	\$27,429
	Tax Benefit	\$0	\$27,220
	Net Cost	\$212,635	\$86,146
	Real Estate Value	\$0	\$160,000
Loan Balance	\$0	\$129,674	
Total Equity	\$0	\$30,326	

OVERALL	Rent	Ownership	
	Total Investment in 84 Months	\$0	\$0
	Total Investment in 120 Months	\$0	\$0
Total NetWorth in 120 Months	\$0	\$30,326	

By 10 yrs, Your asset account is \$0.	By 10 yrs, your home's equity is \$30,326. Your asset account is \$0. Your TOTAL NET WORTH will reach \$30,326.
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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 principal reduction and appreciation rates of your property.

Rent Investment Assumptions	
Opening Balance:	\$0
Monthly Amount:	\$0
Return Average:	0.000 %

Ownership Investment Assumptions	
Opening Balance:	\$0
Monthly Amount:	\$0
Return Average:	0.000 %

After 120 months, you will be \$30,326 wealthier as a homeowner.

