



6600 College Blvd Suite 200 Overland Park, KS 66211
 Tel (913) 234-8670 jyarrington@pulaskibankstl.com
 Fax (913) 234-8671 www.mortgagestuff.com

RENT VS OWN

Prepared by Jim Yarrington
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Prepared For: **John & Janet Jones**
 To Be Determined Kansas City, MO 64141

MONTHLY HOME OWNERSHIP ANALYSIS

MONTHLY ANALYSIS	Rent	Ownership	
	Payment	\$2,000	\$1,115
	Taxes, Insurance & Other	\$30	\$352
	Total Payment	\$2,030	\$1,467
	Tax Benefit	\$0	\$303
	Principal Paid	\$0	\$215
Net Monthly Payment	\$2,030	\$948	

Rent Assumptions	Ownership Assumptions
Rental Increase/yr: 2.000 %	Appreciation: 2.900 % *
	Tax Bracket: 28.000 %
	Purchase Price: \$200,000
	Interest Rate: 5.500 %
	APR: 5.575 %
	Down Payment: \$3,622
	Closing Costs: \$1,626
	Total Cash to Close: \$5,248

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 \$948/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	\$180,943	\$123,194
	Principal Paid	\$0	\$21,963
	Tax Benefit	\$0	\$24,387
	Net Cost	\$180,943	\$76,844
	Real Estate Value	\$0	\$200,000
Loan Balance	\$0	\$174,415	
Total Equity	\$0	\$25,585	

120 MONTHS ANALYSIS	Rent	Ownership	
	Total Payment	\$266,393	\$175,992
	Principal Paid	\$0	\$34,286
	Tax Benefit	\$0	\$34,024
	Net Cost	\$266,393	\$107,682
	Real Estate Value	\$0	\$200,000
Loan Balance	\$0	\$162,092	
Total Equity	\$0	\$37,908	

OVERALL	Rent	Ownership	
	Total Investment in 84 Months	\$0	\$0
	Total Investment in 120 Months	\$0	\$0
Total NetWorth in 120 Months	\$0	\$37,908	

By 10 yrs, Your asset account is \$0.	By 10 yrs, your home's equity is \$37,908. Your asset account is \$0. Your TOTAL NET WORTH will reach \$37,908.
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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 \$37,908 wealthier as a homeowner.

