

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

After Tax Implications of Home Ownership			
John & Janet Jones			
Estimated Tax Bracket	28.00%	Extra \$\$\$ / Mo	0
Sales Price of:		\$280,000	
FHA Loan			
Principal & Interest	\$ 1,561	Interest Paid	\$ 15,029
Taxes	\$ 257	Annual Taxes	\$ 3,080
Insurance	\$ 108	MIP	\$ 1,512
MIP	\$ 126	Total Deductible	\$ 19,621
Total	\$ 2,052	Comparable Rent Would Be Approximately	\$ 1,594
		Tax Liability Improves by	\$ 5,494
			\$ 458
Created by Jim Yarrington 1/2/2009 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	60
Annual Appreciation	2.90%
House Price	280,000
Annual Appreciation	2.90%
Months in Home	60
Value of Home	323,024
Loan Balance \$	254,201
Net Worth	68,824
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