

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:		\$80,000	
FHA Loan			
Principal & Interest	\$ 446	Interest Paid	\$ 4,294
Taxes	\$ 73	Annual Taxes	\$ 880
Insurance	\$ 31	MIP	\$ 432
MIP	\$ 36	Total Deductible	\$ 5,606
Total	\$ 586		
		Comparable Rent Would Be Approximately	\$ 455
		Tax Liability Improves by	\$ 1,570
			\$ 131

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	80,000
Annual Appreciation	2.90%
Months in Home	60
Value of Home	92,293
Loan Balance \$	72,629
Net Worth	19,664

© Great Plains Relocation Company
V2009-Ver. 4A