



RENT VS OWN

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December 20, 2008

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MONTHLY HOME OWNERSHIP ANALYSIS

	Rent	Ownership
Payment	\$1,100	\$1,140
Taxes, Insurance & Other	\$47	\$302
Total Payment	\$1,147	\$1,442
Tax Benefit	\$0	\$289
Principal Paid	\$0	\$237
Net Monthly Payment	\$1,147	\$916

Rent Assumptions	Ownership Assumptions
Rental Increase/yr: 3.000 %	Appreciation: 2.000 %
	Tax Bracket: 25.000 %
	Purchase Price: \$214,000
	Interest Rate: 5.250 %
	APR: 5.426 %
	Down Payment: \$7,490
	Closing Costs: \$5,865
	Total Cash to Close: \$13,355

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 \$916/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

	Rent	Ownership
Total Payment	\$72,901	\$86,517
Principal Paid	\$0	\$16,211
Tax Benefit	\$0	\$16,825
Net Cost	\$72,901	\$53,480
Real Estate Value	\$0	\$236,273
Loan Balance	\$0	\$190,289
Total Equity	\$0	\$45,973

	Rent	Ownership
Total Payment	\$156,963	\$173,034
Principal Paid	\$0	\$37,277
Tax Benefit	\$0	\$32,319
Net Cost	\$156,963	\$103,438
Real Estate Value	\$0	\$260,865
Loan Balance	\$0	\$169,223
Total Equity	\$0	\$91,629

	Rent	Ownership
Total Investment in 60 Months	\$6,497	\$17,968
Total Investment in 120 Months	\$13,746	\$37,825
Total NetWorth in 120 Months	\$13,746	\$129,454

BENEFITS	BENEFITS
By 10 yrs, Your asset account is \$13,746.	By 10 yrs, your home's equity is \$91,629. Your asset account is \$37,825. Your TOTAL NET WORTH will reach \$129,454.

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:	\$100
Monthly Amount:	\$100
Return Average:	2.500 %

Ownership Investment Assumptions	
Opening Balance:	\$0
Monthly Amount:	\$285
Return Average:	2.000 %

After 120 months, you will be \$115,709 wealthier as a homeowner.