

Rent vs. Own

Borrower Name(s):

Property Address:

Rent vs Own

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Date Prepared: **11/26/2007**

Scenario

Monthly Rent		\$	2,000.00
Expected Annual Rent Increase			8.00 %
Monthly Renter's Insurance		\$	
Home Purchase Price		\$	
Down Payment	%	\$	
Loan Amount		\$	500,000.00
Term			360 Months
Mortgage Interest Rate			6.750 %
Estimated Closing Costs		\$	12,998.89
Property Tax		\$	520.83
Homeowner's Insurance		\$	
Annual Home Maintenance	%	\$	
How Many Years for this Comparison			10 Years
Annual Appreciation on the Home			6.330 %
Interest Currently Being Earned on Down Payment			0.000 %
Your Income Tax Rate			30.000 %

Results

Favorable Option

		Renting
Average Monthly Payment Savings (Renting vs. Buying)	\$	-78.90
Total Gain Over 10 Years	\$	430,035.83

Payment Considerations

	Rent	Own
Initial Rent Payment / Mortgage Payment	\$ 2,000.00	\$ 3,242.99
Renter's Insurance / Homeowner's Insurance	\$	\$
Property Taxes		\$ 520.83
Before Tax Monthly Payment	\$ 2,000.00	\$ 3,763.82
Annual Home Maintenance		\$
Total Payment Over 10 Years	\$ 347,677.50	\$ 451,658.40
Total Tax Savings Over 10 Years		\$ 113,449.04
Average After Tax Monthly Payment	\$ 2,897.31	\$ 2,818.41

Investment Considerations

Home Selling Price After 10 Years	\$	
Minus Loan Balance	\$	426,505.08
Minus Down Payment & Initial Closing Costs with Unearned Interest	\$	12,998.89
Investment Gain of Buying vs. Renting	\$	-439,503.97
Total Payment Savings (Renting vs. Buying)	\$	-9,468.14
Combined Gain of Buying vs. Renting	\$	-430,035.83