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RENT VS OWN

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MONTHLY HOME OWNERSHIP ANALYSIS

	Rent	Ownership
Payment	\$2,700	\$2,524
Taxes, Insurance & Other	\$25	\$735
Total Payment	\$2,725	\$3,259
Tax Benefit	\$0	\$606
Principal Paid	\$0	\$565
Net Monthly Payment	\$2,725	\$2,088

Rent Assumptions	Ownership Assumptions
Rental Increase/yr: 2.000 %	Appreciation: 2.500 % *
	Tax Bracket: 25.000 %
	Purchase Price: \$495,000
	Interest Rate: 5.000 %
	APR: 5.084 %
	Down Payment: \$24,750
	Closing Costs: \$4,500
	Total Cash to Close: \$29,250

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 \$2,088/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	\$134,740	\$156,447
Principal Paid	\$0	\$29,955
Tax Benefit	\$0	\$28,373
Net Cost	\$134,740	\$98,119
Real Estate Value	\$0	\$546,138
Loan Balance	\$0	\$440,295
Total Equity	\$0	\$105,843

	Rent	Ownership
Total Payment	\$274,235	\$306,376
Principal Paid	\$0	\$64,853
Tax Benefit	\$0	\$54,016
Net Cost	\$274,235	\$187,507
Real Estate Value	\$0	\$573,445
Loan Balance	\$0	\$405,397
Total Equity	\$0	\$168,048

	Rent	Ownership
Total Investment in 48 Months	\$0	\$0
Total Investment in 94 Months	\$0	\$0
Total NetWorth in 94 Months	\$0	\$168,048

BENEFITS	BENEFITS
By 7 yrs 10 mths, Your asset account is \$0.	By 7 yrs 10 mths, your home's equity is \$168,048. Your asset account is \$0. Your TOTAL NET WORTH will reach \$168,048.

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 94 months, you will be \$168,048 wealthier as a homeowner.