



BENEFIT OF OWNING VS. RENTING

CO-OP EXAMPLE

Price: \$1,000,000
Maintenance: \$895
Tax Deductibility: 40.00%

Assume the following percentages for this example:
Closing costs of 3.88%, annual home appreciation of 5.0%,
loss of interest on the funds used for downpayment of 5.0%,
annual rent increases of 2.0%, and annual tax liability of 34.0%

IF YOU RENT

Total Monthly Payment: \$3,500

IF YOU BUY

Purchase Price: \$1,000,000
Down Payment: \$200,000
Loan Amount: \$800,000
Mortgage Rate: 6.50%
Monthly Mortgage Payment: \$5,056.54
Monthly Maintenance: \$895
Total Monthly Payment: \$5,951.54
Averaged Monthly Interest Deduction: (\$1,431.63)
Averaged Maintenance Tax Deduction: (\$121.72)
Averaged Monthly After Tax Cost: **\$4,398.19**

RENT SNAPSHOT AFTER 5 YEARS

Total Rent Payments: **(\$218,569.69)**
Equity in Home: NONE
Tax Savings: NONE

BUYING SNAPSHOT AFTER 5 YEARS

Rent Saved: \$218,569.69
Estimated Closing Costs: (\$31,000.00)
Increased Equity in Home: \$327,033.49
Loss of Interest on Down Payment: (\$55,256.31)
Total Mortgage Payments: (\$303,392.65)
Mortgage Income Tax Savings: \$85,897.85
Total Maintenance Payments: (\$53,700)
Maintenance Tax Savings: \$7,303.20

BENEFIT OF OWNING VS. RENTING **\$195,455.26**

This comparison is only an estimate. Please check with your CPA to verify that the income tax deductibility information applies to your individual situation.

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REGISTERED MORTGAGE BROKER - NYS BANKING DEPARTMENT/ALL LOANS ARRANGED THROUGH 3RD PARTY LENDERS - LICENSED MORTGAGE LENDER/ BROKER - CT DEPARTMENT OF BANKING - LICENSED MORTGAGE LENDER - NJ DEPARTMENT OF BANKING AND INSURANCE/ALL LOANS ARRANGED THROUGH 3RD PARTY PROVIDERS - LICENSED MORTGAGE BROKER MB 2274 - MA DEPARTMENT OF BANKING/WE ARRANGE BUT DO NOT MAKE LOANS - LICENSED MORTGAGE BROKER - VT DEPARTMENT OF BANKING - CORRESPONDENT MORTGAGE LENDER - FL DEPARTMENT OF FINANCIAL SERVICES - LICENSED MORTGAGE BROKER AS TMMC MORTGAGES UNDER CA FINANCE LENDERS LAW - LICENSED MORTGAGE BROKER AS TMMC MORTGAGES - NH BANKING DEPARTMENT