

HOMESPACE

REALTY

Rent vs Buy Cost Comparison

Years	Rent Payment	Mortgage Payment	Monthly Difference	Yearly Difference
1	\$1700	\$1913	-\$213	-\$2556
2	\$1768	\$1913	-\$145	-\$1740
3	\$1838	\$1913	-\$75	-\$900
4	\$1911	\$1913	-\$2	-\$24
5	\$1987	\$1913	\$74	\$888
6	\$2066	\$1913	\$153	\$1836
7	\$2148.00	\$1913	\$235	\$2820
8-30	SAVINGS INCREASE EVERY YEAR			

RENT	RENT VS BUY COST COMPARISON		BUY
\$1,700	Monthly Rent	Purchase Price	\$250,000
\$2,600	Security Deposit, app, admin, pet fee, pet deposit	Down Payment	\$12,500
\$0	Closing Costs		\$6,000
\$1,700	Year 1 Monthly Payment		\$1,913
\$110,448	Total Monthly Payments over 5 years		\$114,780
\$0	Tax Deductible Interest and Property Taxes		\$80,985
\$0	Tax Savings Based on 15% Tax Bracket		\$12,148
\$114,748	Net Cost After Tax Savings		\$121,132
\$0	Value of the Home After 5 Years (based on 5% appreciation, modest for Austin)		\$312,500
\$1,987	Payment after 5 Years		\$1,913
\$0	5 Year Equity Buildup		\$62,000