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FOLLOW THESE 3 SIMPLE STEPS:

- 1 SUMMARY displays a comparison showing your total monthly rent vs a breakdown of a proposed mortgage plan
- 2.Review and compare the benefits of homeownership over time
- 3.ASSET ACCUMULATION shows how you can invest x amount of money for your future to increase your net worth

Rent Vs Own

Neil Armstrong
 123 Sunset Lane
 Bel Air, CA 90077

Summary

This summary table displays the benefit opportunity of homeownership. The rent column displays the amount you are currently paying in rent. The buy column reflects the cost and benefits of homeownership.

See the benefits of Homeownership in action. After taxes, your net monthly cost of Homeownership would be:

\$2,461

Offering a monthly Homeowner benefit of:

\$0

| Rent | | Homeownership | |
|-------------------------|----------------|-------------------------|----------------|
| Rent | \$1,800 | P&I | \$2,364 |
| Insurance/Other | \$25 | Taxes/Insurance/HOA | \$799 |
| Total Rent | \$1,825 | Total PITI | \$3,162 |
| | | Tax Benefits | \$701 |
| | | Principal Paid | \$0 |
| Net Monthly Cost | \$1,825 | Net Monthly Cost | \$2,461 |
| Assumptions | | Assumptions | |
| Rental Increase/Yr | 3% | Appreciation | 3% |
| | | Tax Bracket | 25% |
| | | Purchase Price | \$476,755 |
| | | Interest Rate | 6.500% |
| | | APR | 6.648% |
| | | Down Payment | \$47,676 |
| | | Closing Costs | \$8,964 |
| | | Total Cash to Close | \$56,640 |

Ownership Analysis

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 principle reduction and appreciation rates of your property.

Months: 36



Months: 60



| Rent | | Homeownership | |
|--------------------------|------------------|--------------------------|------------------|
| Total Payment | \$67,663 | Total PITI | \$113,850 |
| Principal Paid | \$0 | Principal Paid | \$0 |
| Tax Benefit | \$0 | Tax Benefit | \$25,240 |
| Net Cost | \$67,663 | Net Cost | \$88,609 |
| Real Estate Value | \$0 | Real Estate Value | \$520,963 |
| Loan Balance | \$0 | Loan Balance | \$429,080 |
| Total Home Equity | \$0 | Total Home Equity | \$91,884 |
| Rent | | Homeownership | |
| Total Payment | \$116,177 | Total PITI | \$189,749 |
| Principal Paid | \$0 | Principal Paid | \$0 |
| Tax Benefit | \$0 | Tax Benefit | \$42,067 |
| Net Cost | \$116,177 | Net Cost | \$147,682 |
| Real Estate Value | \$0 | Real Estate Value | \$552,690 |
| Loan Balance | \$0 | Loan Balance | \$429,080 |
| Total Home Equity | \$0 | Total Home Equity | \$123,610 |

Asset Accumulation

The benefits displayed in asset accumulation show how investing monthly can increase your net worth.

| Investment | | Investment | |
|---|----------|---|----------|
| Opening Balance | \$30,000 | Opening Balance | \$400 |
| Monthly Amount | \$0 | Monthly Amount | \$400 |
| Return Avg. | 8.000% | Return Avg. | 8.000% |
| Years | Amount | Years | Amount |
| 3 yrs | \$38,107 | 3 yrs | \$16,722 |
| 5 yrs | \$44,695 | 5 yrs | \$29,987 |
| Benefits | | Benefits | |
| By 5 yrs, your TOTAL NET WORTH will reach \$44,695. | | By 5 yrs, your home's equity is \$123,610. Your asset account is \$29,987. Your TOTAL NET WORTH will reach \$153,597. | |

NOTICE AND DISCLAIMER: The results above are based on (i) information provided by you, (ii) estimates of interest rates, your ability to save, your tax bracket, closing costs and other amounts, (iii) currently available loan programs and (iv) information and assumptions discussed with your advisor; all of which might change over time. If the information or assumptions are not correct or change, then the results above will change. Your advisor will provide additional information about costs, fees and other information required by state and federal law.

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