

# ADVANTAGES TO BUYING A HOME VERSUS RENTING -

## Save Money

In many cases the amount of money a renter spends on rent can be about the same or less than the amount a homeowner spends on mortgage. With the tax

benefit for homeowners, the savings can be significant.

## Rental Expenses

Your rental company may take part of rent to cover certain housing expenses that you would be respon-

sible for as a homeowner. These are in addition to your housing payment.

Here are a list of some of those expenses: Property taxes, special assessments, homeowner's insurance,

utilities, maintenance, and HOA dues; if applicable.

## Affordable Mortgages

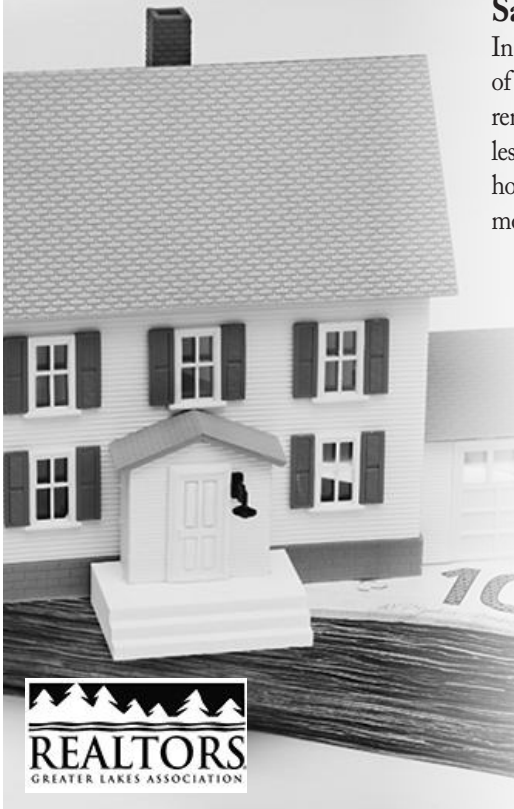
Your income, savings and monthly expenses play an important role in determin-

ing how large a mortgage you can afford. Contact your local financial institution and talk to a home mortgage consultant/specialist to get more information.

The chart below shows a cost comparison for a renter and a homeowner over a seven year period.

Years	Rent Payment	Mortgage Payment	Monthly Difference	After Tax Savings	Yearly Difference	After Tax Savings
1	800	1000	-200	-50	-2400	-600
2	840	1000	-160	-10	-1920	-120
3	882	1000	-118	+32	-1416	+384
4	926	1000	-74	+76	-888	+912
5	972	1000	-28	+122	-336	+1464
6	1021	1000	+21	+171	+252	+2052
7	1072	1000	+72	+222	+864	+2664
8-30			<i>Savings increase every year</i>			

- The Renter starts at \$800 per month with an annual increase of 5%
- The homeowner purchases a home for \$110,000 and pays \$1,000 principal and interest per month.
- After 6 years the homeowner's payment is lower than the renter's.
- With tax advantages, the homeowner's payment is less after 3 years.



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