



### Scenario:

Rent for \$950 mo  
 Purchase for \$150,000  
 20% down w/ 5% interest

Buying a home would save you approximately \$24,951 (in today's dollars) over 30 years, compared to renting, based on the assumptions you provided.

	Rent	Buy
• <b>Cost comparison</b>		
• Rent and fees	\$406,983	
• Mortgage payments		\$231,907
• Property insurance +		\$20,871
• Property taxes +		\$34,785
• Opportunity cost +		\$185,836
• Tax savings (interest/taxes) -		\$36,046
• Home Appreciation -		\$52,177
• Total cost =	\$406,983	\$385,311
• Present value at inflation	\$243,262	\$205,836
• <b>Difference</b>		<b>\$24,951</b>