

# RENT **v** BUY

## A COLUMBIA COUNTY HOUSING ANALYSIS

### HOMEOWNERSHIP ADVANTAGES

#### TAX SAVINGS

Deduct the cost of your mortgage loan interest from your state and federal income taxes. Additionally, you may deduct a portion of your property taxes.

#### APPRECIATION POTENTIAL

Real estate is a good long-term investment. Over the last ten years, appreciation in the Columbia County area averaged 2%. Additionally, as you pay down your mortgage loan, your equity (wealth you have in your home) increases.

#### STABILITY

A fixed mortgage payment will not increase for 15 to 30 years, whereas area rents increased an average of 6% this year.

### ANNUAL COSTS\*

	Home-owner	Renter
Annual Monthly Payments (includes insurance)	\$11,540	\$9,420
Real Estate Taxes	\$2,279	\$0
<b>Tax Savings/Equity Builders:</b>		
Mortgage Interest Deduction Tax Savings	- \$2,315	\$0
Tax Savings for Property Taxes Deduction	- \$684	\$0
Mortgage Principal Accumulation (Equity)	- \$3,564	\$0
<b>Total Annual Costs Less Equity Gains</b>	<b>\$7,256</b>	<b>\$9,420</b>
<b>Appreciation on investment after 10 years:</b>		
	<b>\$4,433</b>	<b>\$0</b>

\* Costs based on median home price in Columbia County area, 3.5% downpayment, 30-year fixed with 4% interest, and average rent. Tax savings assume a 30% income tax bracket. Mortgage payment and tax savings are an estimate only and may vary depending on your personal finances/tax bracket. Consult your financial advisor for details.

Homeowners don't move as frequently as renters, tend to volunteer in the community more, and enjoy a net worth 34 times as much as a renter.



Consult your local Realtor® for an in-depth analysis and more information.