

This report will allow you to analyze the benefit of homeownership versus the cost of renting.

CROWN MORTGAGE SERVICES

Licensed Mortgage Broker NJ Dept of Banking
Licensed Florida Lender Licensed FHAVA Lender

Rent Vs. Own }

This report will allow you to analyze the benefit of homeownership versus the cost of renting.

1 Summary – This section summarizes the numbers and the assumptions to determine the net monthly cost of home ownership vs. the cost of renting. The cost of ownership is determined by backing out the assumed tax benefits and the principle portion of the payment.

2 Assumptions – This section shows the assumptions; purchase price, down payment, interest rate and home appreciation rate used to build this analysis.

3 Ownership Analysis – This section illustrates the benefits of homeownership over time and its possible impact on net worth. With the assumptions made, this analysis will demonstrate the total net cost of homeownership over time along with the assumed equity growth in the property.

4 Asset Accumulation – This section analyzes the opportunity for building net worth by investing large sums or contributing monthly to an investment account.

5 Benefits – This section summarizes the figures showing the big picture opportunity for growing net worth through homeownership. It shows an “apples to apples” comparison of their renters “sitting on nest egg” vs. owning a home. The estimated net worth gain realized is computed by combining the equity built up in the home with any monthly investment growth.

Prepared by
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Date prepared
4/29/2008

Rent Vs Own
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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

| Summary | | Rent | | Homeownership | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-----------------|--|-----------------|---------------|--|--------------------|----|---|----------|-----------------|-----------|-----------------|------|---------------------|----------|-------------------|----------------|-------------------|----------------|-----------------|-----------------|-----------------|-----------------|-------------------|----------|---------------------|-----------|-------------------------|----------------|-------------------------|--------------|--------------------------|------------|--------------------------|-----------------|---|--|--|--|
| 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: \$997 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Offering a monthly Homeowner benefit of: \$528 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Assumptions</th> </tr> </thead> <tbody> <tr> <td>Rental Increase/Yr</td> <td>3%</td> </tr> </tbody> </table> | | Assumptions | | Rental Increase/Yr | 3% | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Assumptions</th> </tr> </thead> <tbody> <tr> <td>Appreciation</td> <td>3%</td> </tr> <tr> <td>Tax Bracket</td> <td>33%</td> </tr> <tr> <td>Purchase Price</td> <td>\$250,000</td> </tr> <tr> <td>Interest Rate</td> <td>6.125%</td> </tr> <tr> <td>APR</td> <td>6.338%</td> </tr> <tr> <td>Down Payment</td> <td>\$25,000</td> </tr> <tr> <td>Closing Costs</td> <td>\$5,100</td> </tr> <tr> <td>Total Cash to Close</td> <td>\$30,100</td> </tr> </tbody> </table> | | Assumptions | | Appreciation | 3% | Tax Bracket | 33% | Purchase Price | \$250,000 | Interest Rate | 6.125% | APR | 6.338% | Down Payment | \$25,000 | Closing Costs | \$5,100 | Total Cash to Close | \$30,100 | | | | | | | | | | | | |
| Assumptions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rental Increase/Yr | 3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Assumptions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Appreciation | 3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax Bracket | 33% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Purchase Price | \$250,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interest Rate | 6.125% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Rent | | Homeownership | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rent | \$1,500 | P&I | \$1,428 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Insurance/Other | \$26 | Taxes/insurance/HOA | \$315 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Rent | \$1,525 | Total PITI | \$1,742 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Tax Benefits | \$464 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Principal Paid | \$280 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Monthly Cost | \$1,525 | Net Monthly Cost | \$997 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Rent | | Homeownership | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Payment | \$56,536 | Total PITI | \$62,698 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Tax Benefit | \$0 | Tax Benefit | \$18,393 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Rent | | Homeownership | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Payment | \$97,064 | Total PITI | \$104,498 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Principal Paid | \$0 | Principal Paid | \$19,604 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Investment | | Investment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Opening Balance | \$30,000 | Opening Balance | \$464 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Monthly Amount | \$0 | Monthly Amount | \$464 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Return Avg. | 6.000% | Return Avg. | 8.000% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Years | Amount | Years | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 yrs | \$36,107 | 3 yrs | \$19,398 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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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 or other amounts, (iii) currently available loan programs and (iv) information and assumptions discussed with your loan officer/broker 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 loan officer/broker will provide additional information about costs, and other information required by law.

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