

Renting a Condo at Atkinson Towers versus being Owner/Resident of unit #601

Sold Price	\$335,000.00
Down Payment	\$33,500.00
Seller's Financing	\$301,500.00
Interest Rate	5%
Loan Term	10 Years

Owning vs. Renting - Monthly Expenses

	<i>Renting</i>	<i>Owning</i>
Estimated Rent	\$1,850.00	\$0.00
Interest Payment	\$0.00	\$1,256.25
Maintenance Fees	\$0.00	\$488.00
Parking Lease Rent	\$0.00	\$58.00
Real Property Taxes	\$0.00	\$85.00
TOTAL	\$1,850.00	\$1,887.25

Tax Deductions

	<i>Renting</i>	<i>Owning</i>
Rent	Not Tax Deductable	\$0.00
Monthly Interest Payment	\$0.00	\$1,256.25
Maintenance Fees	\$0.00	Not Tax Deductable
Parking Lease Rent	\$0.00	Not Tax Deductable
Monthly Real Property Taxes	\$0.00	\$85.00
Monthly Depreciation	\$0.00	\$833.33
Monthly Taxable Income Reduction	\$0.00	\$2,174.58

	Not Tax Deductable	
Rent	\$0.00	\$0.00
Annual Interest Payment	\$0.00	\$15,075.00
Maintenance Fees	\$0.00	Not Tax Deductable
Parking Lease Rent	\$0.00	Not Tax Deductable
Annual Real Property Taxes	\$0.00	\$1,020.00
Annual Depreciation	\$0.00	\$10,000.00
Total Taxable Income Reduction	\$0.00	\$26,095.00

Based on 30% Tax Bracket (25% for Federal and 5% for State)

Monthly Gross Cost of Accommodation	\$1,850.00	\$1,887.25
Monthly Tax Savings:		
Interest Payment	\$0.00	\$376.88
Real Property Taxes	\$0.00	\$25.50
Depreciation	\$0.00	\$250.00
Monthly Net Cost of Accommodation	\$1,850.00	\$1,234.88

Net Annual Tax Savings (30%) **\$7,828.50**

Net Monthly Tax Savings **\$652.38**

This is a sample based on the rent of \$1,850, 30% tax bracket (Federal and State combined), 2010 maintenance fees, and estimated real property taxes. The information is from sources deemed to be reliable, but is not guaranteed and the Seller or the Seller's agent, are not liable or responsible for any inaccuracies, errors or omissions (Walt Flood Realty ® 2010)