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Tax Advantages of Home Ownership

Prepared For

Dan & Dana

Value of Home Being Considered	\$ 208,000	Yearly Real Estate Taxes on Home:	\$ 4,160
Down Payment Amount	\$ 10,400	Yearly Homeowners Insurance:	\$ -
Mortgage Loan Term (in years)	30	Tax Filing <u>married</u> with tax rate of	28%

Mortgage Information

Type of mortgage	conv	Current Mortgage Interest Rate	5.625%
Proposed Base Mortgage Amount	\$ 197,600	Based on Fixed Rate or Adjustable	Fixed

Annual Income Tax Benefit Analysis

Mortgage Interest	\$ 11,049
Real Estate Taxes	\$ 4,160
Itemized Deductions	\$ 15,209
Less Standard Deduction:	\$ 10,300
Additional Deductions	\$ 4,909
Times Tax Rate	28%
Tax Benefit to Home Ownership	\$ 1,374
(Annual Savings on Federal Income Tax)	

Mortgage Payment Information

Principal & Interest	\$ 1,137
Real Estate Taxes	\$ 347
Homeowners Insurance	\$ -
Association Dues	\$ 170
Mortgage Insurance	\$ 128
Total Monthly Mortgage Payment	\$ 1,783

True Cost of Mortgage Payment Analysis

Total Monthly Mortgage Payment	\$ 1,783
Less Monthly Income Tax Benefit	\$ (115)
Less Monthly Principal Reduction of Loan	\$ (217)
True Monthly Cost of Mortgage	\$ 1,451

The accuracy and applicability of these calculations is not guaranteed. Please consult your tax advisor for additional confirmation.