



# Buying Your First Home

The American Dream Just Got Easier

## Still Renting? It's Time You Considered Buying a Home

Don't assume your monthly rent is cheaper than a monthly mortgage payment. In fact, statistics from the National Association of REALTORS® indicates apartment and house rents have increased at a rate of 3% a year in the last 10 years. If your rental house or apartment rents for \$1000 per month, it will cost you \$1,300 per month in 10 years. The total amount of rent you would pay over that 10-year period would amount to \$137,567.00. Here is the real problem; beyond the privilege to live in the rental property, you receive no financial benefit from your rent money in the form of savings or equity!

## The Tax Advantages of Owning Your Home

The beauty of home ownership is your ability to realize the immediate tax advantages over renting a home and those benefits **will help you save money!** Unlike a monthly rent payment, **a portion of your monthly mortgage payment is returned to you in tax savings.** Take a look at the numbers:

### You purchase a \$210,000 home

\$10,000 is for a down payment (plus closing cost)

You take out a loan (mortgage) for the balance (\$200,000)

The mortgage interest rate is fixed at 6.5% for a 30-year period

Your monthly payments (not including maintenance, utilities, insurance, etc.) are:

Mortgage: \$1,264

Property tax: \$230

Total payment: \$1,494

### Tax savings per month (assuming a 30% income tax bracket)

Mortgage interest tax deduction:	\$322
Tax deduction for property tax:	\$68
Total Monthly Tax Savings:	\$390
Total Monthly Cost After Tax Savings	\$1,104

Your actual monthly savings is \$390.00 by owning your home. The annual savings are much more dramatic.

Go to [www.MyFirstClevelandHome.com](http://www.MyFirstClevelandHome.com) for more information how you can Live The American Dream and buy your first home.