

# Buy vs. Rent Dollar Comparison

The chart below shows a cost comparison for a renter and a homeowner based on the following assumptions:

- ✓ Renter paying \$800 per month with annual rent increases of 5%
- ✓ Homeowner purchasing a home with a monthly mortgage of \$1,000

Years	Rent Payment	Mortgage Payment	Monthly Difference	Monthly Difference Factoring Federal Tax Benefits
1	\$800	\$1000	-\$200	-\$50
2	\$840	\$1000	-\$160	-\$10
3	\$882	\$1000	-\$118	+32
4	\$926	\$1000	-\$74	\$76
5	\$972	\$1000	-\$28	+\$122
6	\$1021	\$1000	+\$21	+\$171
7	\$1072	\$1000	\$72	+\$222
8-30	Continues to Increase	\$1000	Savings Increase Every Year	

**Source: Ginnie Mae**