

TAX BENEFITS	OWN	RENT						
Move-in.	Move-in.	Move-in.						
At the time of purchase, points paid are tax-deductible	Purchase Price \$229,000 Down Payment \$45,800 Loan Information \$183,200 1.75 points = \$3,206 [†] 4.75% Total FIXED Monthly Payment \$1,269	Deposit \$1,250 Monthly Payment \$1,250						
Live-in.	Live-in.	Live-in.						
Real property taxes, mortgage interest and mortgage insurance* are also tax-deductible	Real Property Taxes \$68 Mortgage Interest Monthly Average over 5 years \$8,353 Mortgage Insurance \$0 Effective Avg. Monthly Payment \$1,078 [§]	Rent Increase 3.3% per year ^{††} <table border="0"> <tr> <td>First Year \$1,250 per month \$15,000 per year</td> <td>Second Year \$1,291 per month \$15,495 per year</td> </tr> <tr> <td>Third Year \$1,334 per month \$16,003 per year</td> <td>Fourth Year \$1,378 per month \$16,536 per year</td> </tr> <tr> <td colspan="2">Fifth Year \$1,423 per month \$17,082 per year</td> </tr> </table>	First Year \$1,250 per month \$15,000 per year	Second Year \$1,291 per month \$15,495 per year	Third Year \$1,334 per month \$16,003 per year	Fourth Year \$1,378 per month \$16,536 per year	Fifth Year \$1,423 per month \$17,082 per year	
First Year \$1,250 per month \$15,000 per year	Second Year \$1,291 per month \$15,495 per year							
Third Year \$1,334 per month \$16,003 per year	Fourth Year \$1,378 per month \$16,536 per year							
Fifth Year \$1,423 per month \$17,082 per year								
Move-out.	Move-out.	Move-out.						
CAPITAL GAIN[†] TAX-EXEMPTION \$250,000 for a single owner \$500,000 exemption for joint owners. A taxpayer must both own and use the home as a principal residence for two of the five years prior to the sale.	Appreciation at 5.54% per year ^{**} Property Value in 5 years: \$299,861 \$70,861 tax-free profit AND \$11,458 in tax savings	You Paid \$80,116 of your landlord's mortgage payments No Property Meager Savings						

[‡] Includes TSB First-time homebuyer discount
[§] Total Monthly Payment minus Average Monthly Tax Savings
^{**} Annual Residential Resales Data for Oahu—Condominiums, Honolulu Board of Realtors Research Department. Average appreciation from 1996-2006.
^{*} Based on 33% Tax Bracket

^{††} Regional Economic Accounts—Hawaii, Bureau of Economic Analysis. US Department of Commerce. Average increase in rent from 1996-2006.
^{***}All tax benefits are for estimate purposes only. Consult with a CPA.

^{*} AGI limited to \$100,000
[†] Capital Gain: the profit that results from the sale of a capital asset.