

VILLAGE TOWNHOUSES
COOPERATIVE

Memo

To: All Cooperative Members
From: Stephanie Throop, Assistant Accounting Manager, Legacy, LLC
Date: January 25, 2026
Re: Mortgage Interest/Real Estate Tax deduction for 2025 income taxes

As a member of a Housing Cooperative, you are entitled to a deduction for mortgage interest and real estate taxes paid by your Cooperative in 2025. The percentage shown below for interest and real estate taxes may be used if you itemize deductions on your Federal Income Taxes. The percentage for real estate taxes may be used if you claim the property tax credit on your Michigan Income Taxes.

Carrying charges are your basic monthly payments paid in 2025, exclusive of surcharges, government subsidies, late charges, initial membership, deposits, etc.

Steps to follow:

1. Enter total carrying charges paid in 2025 \$ _____
2. **Property Tax:** Multiply the amount in line 1 by 12.28% \$ _____
3. **Mortgage Interest:** Multiply the amount in line 1 by 6.60% \$ _____
4. Taxable value \$ **13,054**
5. Use the amount in line 2 as the amount of property taxes on your home when determining your 2025 Michigan Income Tax.
6. Use the amount in line 2 as the amount of property taxes on your home and the amount in line 3 as the amount of mortgage interest on your home when itemizing deductions for your Federal Income Tax.