



## 5 REASONS *to BUY instead of* RENT

The transition from renting to owning a home is a big step. Aside from being one of the most important financial decisions you may ever make, buying a home requires you to take on a mortgage, property taxes and the cost of your home's maintenance. However, owning a home often makes good financial sense in the long-term, particularly if you plan to stay in the same location for many years. In case you're on the fence, here are five reasons to buy instead of rent.

### **A HOME IS AN INVESTMENT**

You may have heard it said that if you're paying rent, you're essentially throwing your money away each month, and it's true — once you pay rent, that money is gone forever and never really comes back to you. Every mortgage payment you make, however, builds equity in your home and brings you one step closer to ownership.

Your home may also appreciate in value over time, particularly if you maintain it well and update it as needed. This may give you the opportunity to sell the home at a profit if you decide to move to another home after living in the home for a number of years. With renting, this opportunity is lost to you.

### **YOUR HOME LEADS TO TAX SAVINGS**

Homeowners are eligible for a number of tax breaks that are not available to renters. For example, homeowners who itemize can deduct the interest they pay on their mortgage each month, which is beneficial considering the lion's share of a house payment typically goes toward interest.

### **A BOON FOR BORROWING**

Homeowners who have equity in their home can use that equity to get loans or lines of credit. This is helpful if you need cash to make major renovations to your home or if you need cash to buy investment property.

### **BUYING IS OFTEN CHEAPER THAN RENTING IN THE LONG-TERM**

Because of low mortgage rates, buying this year is typically cheaper than renting in every one of the nation's 100 metro areas, according to the Trulia blog. This assumes you itemize deductions, stay in your home for seven years, remain in the 25% tax bracket and meet other conditions explained in the blog. The New York Times provides an excellent Buy/Rent Calculator that allows prospective homebuyers to determine just how much they might save buying over renting based on their current monthly rent, future home price, down payment, mortgage rate, yearly property taxes and other factors.

### **AUTONOMY**

Unlike renters, homeowners have the ability to make major structural and aesthetic changes to their home and yard at their own discretion. You don't have to worry about being fined for painting an accent wall and you're free to remodel if needed. Since you're no longer attached to your neighbors, you can blast the surround sound and don't have to worry about your toddler's footsteps disturbing the downstairs neighbors.

Source: [quadranthomes.com](http://quadranthomes.com)