RENTING VS. BUYING

Due to trends in home prices and mortgage rates, this is an excellent time to look into buying your dream house. If you've been thinking about buying a home, one question you've probably asked yourself is "Can I afford to buy a home?" Perhaps a better question to ask is "Can I afford to rent?" No matter how much you pay in rent, chances are that the amount you pay could add up over several years to be the price of your dream house, if not more. The following chart shows how much rent payments would add up to, considering the money invested would earn 5% interest.

Rent	10 Years	20 Years	30 Years
$600	$93,168	$246,920	$499,855
$800	$124,226	$328,827	$665,807
$1,000	$156,282	$411,034	$832,269
$1,200	$186,339	$493,240	$998,710
$1,500	$232,823	$616,561	$1,248,388
$2,000	$310,566	$822,067	$1,664,517
$2,500	$388,206	$1,027,584	$2,080,647

In addition to the investment gains lost through renting, you may want to keep into consideration common concerns most of us have as a renter as well as a home owner.

	Advantages	Considerations
Buy	Property builds equity	Responsible for maintenance
	Tax deduction of Mortgage interest	Responsible for property taxes
	Free to change décor and landscaping	Responsible for Hazard Insurance
	Not dependent on landlord to maintain property	Less mobility than renting
Rent	Sense of community, stability, and security	No tax benefits
		No equity gains
	Easier to move	Possibility of eviction
		No control over rent increases

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