

Benefits of Home Ownership

by Alden Smith

It is a known fact that the best single investment a couple can make is owning their own home. Not only do they have something that is individualized, they can now do as they please concerning landscaping, decorating, and curb appeal. As in all good things, home ownership has disadvantages as well. Here we will discuss the benefits of owning your own home, and disadvantages as well.

What Is the Biggest Benefit of Owning?

From a dollars and cents viewpoint, owning your own home makes good sense. When tax time rolls around, you have the benefit of deducting the interest paid on the mortgage throughout the year. If you have paid points, either discount or origination, you can deduct these as well. Probably the biggest advantage, though, is the fact that the principle you pay on the mortgage is like putting money in the bank, in the form of equity.

Are There Other Advantages?

Home ownership means you have free rein in the aesthetics of the home. When renting, you do not have the advantage of changing your environment to please you. You may be able to paint a room, but need to repaint back to the original color scheme when you move. Owning your own home means you can do whatever you please to make your environment both personalized and, in the process, add value to the home. You can make major structural changes, such as adding on a room. The grounds can reflect your own taste, by adding such things as flower beds or even rock gardens and waterfalls. To the well established couple, this is a distinct advantage.

Four Steps to Home Ownership

Before you decide to take the plunge and buy a home, consider these questions first:

1. Considering price, can I handle monthly mortgage payments?
2. Will paying utilities such as gas, electric and phone bills fit within my budget?
3. What will closing costs be, and do I have the money to pay the fees?
4. After making the down payment, is there money left for new furniture or moving costs?

Calculating these expenses is easy today because of the many online mortgage and debt [calculators](#) that many money related sites offer. Through careful planning and number crunching, you can easily determine whether or not you can safely afford to purchase a home. From here, you go into the process of securing a loan.

Searching for the Perfect Loan

Where do you begin when you start the process of finding a suitable loan? A good place to start is by talking to family and friends who have been through the process. Educate yourself in the loan process, so that when you approach a lender, you know what to

expect. The realtor handling your purchase can steer you in the right direction. Don't make the mistake of taking the first loan you ask about. Always look for the best possible deal. Because lending institutions are not closely regulated, a difference in fees and closing costs can vary widely. Simply shop around.

Some Other Advantages

Owning your own home gives you a freedom you cannot expect when you rent. No longer do you have to put up with an obstinate landlord that refuses to repair things in the apartment, or just "doesn't have time." You have the freedom to make changes in your home, such as remodeling or adding a laundry room. You can enlarge your bathroom to suit your own taste and preferences.

If you have children, they will find stability in knowing that they aren't going to have to change schools, which can be traumatic for younger children. They won't have to make new friends, and a sense of place becomes very real to them.

Is Home Ownership for Everyone?

In today's fast paced world, not everyone is suitable for home ownership. Many young professionals and single people do not wish to have the hassle of home repairs, maintenance and lawn care. Many of this group move around frequently due to job and career changes. Often, career changes means that they must move to another locale quickly, and the thoughts of going through the process of selling a home can be daunting. Many retired couples travel to warmer climes during winter months, and the idea of leaving a home untended, or relying on others to care for it is not something they relish. Renting for this group is the most sensible choice.

Although home ownership is not for everyone, it is the best choice for many couples. Through careful planning and finding the right home, you can enjoy the stability of having your own place. Use common sense, crunch the numbers, and then buy the home you have always wanted. These simple guidelines will help you make the right choice for you and your family.