ST201 BUYING A HOME

Home Considerations

- Location, location, location
- Neighborhood HOA requirements
- Neighborhood makeup (families, older couples, etc.)
- Neighborhood character
- Size of home
- Lot size
- Age of home and recent renovations
- Age of appliances
- Local market indicators
- Number of bedrooms
- Number of bathrooms
- Kitchen space & layout
- Lighting and windows
- Other special features and finish work
- Number of levels
- Home views
- Storage space-basements, attics, etc.
- Layout of rooms
- School district ranking & location
- Proximity to work & shopping
- Driveway length and slope
- Presence of trees & landscaping
- Evidence of pests
- Crime rate
- Walkability to local restaurants and shops

PROS of Buying a Home

- In a rising housing market, a home can provide a forced savings account and money for the future
- Monthly housing costs are more predictable, especially if based on a fixed rate mortgage
- Some portions of your housing costs provide tax deductions (specifically mortgage interest and property taxes)
- A mortgage, if paid on time, can help build excellent credit
- Ability to borrow against equity (HELOC, HELIC)
- There is a greater sense of community when you own land in an area
- You have more privacy and no restrictions on pets, noise, etc.
- You have the freedom to change things to match your style
- Owning a home provides stability for your family
- Repairs can be made on your own timing, there is no need to wait for someone else

CONS of Buying a Home

- A home purchase requires a significant amount of cash (including down payment, closing and other costs)
- A home sale can take a significant amount of time, tying up your equity
- Home values can depreciate, leaving you with a mortgage that is more than the property is worth
- A home is a huge commitment to stay in one area for a long time
- Increased liability
- Repairs can be costly
- Home maintenance and repairs can take a significant amount of time
- Mortgage payments are often higher than rent
- The commitment and costs can cause a sig-

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