

Buying a house is better than renting

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Buying a house is a better option than renting an apartment. ” In this essay I will discuss about the major benefits of buying a house rather than renting an apartments. While it can be costly it is a safer place to live that has long term-investment and tax advantage. Buying a house may be difficult and it can be a confusing process, even for veteran buyers. Here are some tasks that housing experts say before getting into the buying a house.

Get financials in order. Buyers should check their credit score, taxes, 401(k)s and other aspects of their financial situation to determine the maximum amount they are comfortable affording for their monthly mortgage, utilities, maintenance, taxes and insurance. If one’s credit score is low, he or she may need to get it higher before applying for a mortgage. A bad credit score may not just affect the buyers’ rates, but may prevent them from getting a mortgage.

Buyers should also get pre-approved by a broker or lender -- that means they get an agreement by a bank to lend the buyer up to a specific amount for a home, and the bank tells sellers that financing is already lined up.

When a buyer finds the right house, he or she make an offer and apply for a mortgage. While every local market is different, most economists say buyers are generally in the driver's seat today this mean, buyers can ask to lower the price of prospected home.

Fifty-three percent of homeowners believe a seller's market is still two or more years away, according to a survey of 2, 003 adults between March 30 and April 2 by American Express. This market is very local. Homes in Chicago are getting multiple offers and going for more than 10% over the asking

price, for example, while those in Fort Lauderdale are selling for 20% less than list price, according to Zip Realty. When a buyer is ready to purchase a house, they should have enough cash for a down payment, which can be a minimum of 10%, and extra funds for closing costs, including appraisal costs and move-in deposit.

Buyers need to make sure that if they are buying a used house, they need to check any additions or construction to an existing home have been properly filed with the city and approved for better appraisal or buyer can purchase a new house if they would want to. When he or she owns and lives in a house, there are many benefits that come with owning and living in the house. The following are the benefits of living in a house. One major benefit of living in a house is safety and privacy. In apartments there are limited.

Living in a house, He or she does not have too many neighbors around him or her compares to living in apartments where neighbors is literally next door and within your arms reach. When he or she lives in a house, they are always on the ground floor, where in apartments tenants can have no choice but to climb those stairs and maybe all the way to the last floor. When he or she lives in a house, they definitely have no problem where to park their vehicle; they can have their own garage and a driveway, which is more comfortable and much safer than apartment's parking lot.

Apartments have a higher crime rate compare to any types of housing, According to the National Crime Prevention Council, the organization best known for McGruff the Crime Dog, apartments are eighty-five percent more likely to be victimized by burglaries compare to Even though one may feel

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safe living in a house or apartment, they still need to practice vigilance and prevention to avoid becoming a victim of property theft or other crimes.

Buying a house can be great long term investment. As old and basic as it is, the number one rule in real estate still hasn't changed: location is everything.

The area in which the house is located- its surroundings and distance from an urban center - has a profound impact on the long-term value of one's home. Real estate experts have long cautioned against owning the most lavish house in the neighborhood or making extravagant home improvements that far outdo everything else around. The fact is that, generally speaking, pricey homes don not appreciate as much as more modest structures do. It is typically better to buy the least expensive house in an upscale neighborhood and make improvements.

In such a case, your home will appreciate more in value. Although the average change in house prices are related to changes in fundamentals or perhaps market-wide bubbles, not all houses in a market appreciate at the same rate. Apartments only increase in rent as the years go by. Renters will never own a piece of the apartment or cash out any money they put in, unlike in paying the " mortgage. " If the owner continues paying the mortgage, in 15, 20 or 30 years (depending on the length of the loan) the house is theirs.

Homeowner can deduct on their federal and state income taxes the amount of mortgage interest and real estate taxes they pay each year. For example, by itemizing deductions on the tax return, a married couple filing jointly can deduct \$21, 000 from his taxable income. A renting married couple may not

have a lot of deductions, so they might choose the standard deduction, which is \$10,300. Home receives an additional \$10,700 in tax deduction than the renting couple. Assuming both couples each earn \$100,000 per year. The renting couple would have to pay income tax on \$89,700.

The owning couple would pay tax on \$79,000 difference of \$10,000 owners can put in their pocket. Everyone wants to cut back on what they pay in taxes and home ownership not only decreases taxes, but builds equity. Equity is the difference between the market value of a property and the claims held against it. Having equity, homeowner may borrow money using equity as collateral. This is another benefit of buying a house instead of renting an apartment. While it can be costly it is a safer place to live that has long term-investment and tax advantage.