

# Example of the benefits of buying a house instead of renting research paper

[Sociology](#), [Shopping](#)



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Home ownerships have economic as well as social benefits. It is socially agreed that owning a home assures one of family stability, reduces the number of school dropouts especially at lower levels of learning and allows one to develop meaningful and lasting relationships. Economically, owning a home is one of the greatest financial assets that one can ever have. It enables one to enjoy security, increase investment, reduce spending on taxation, freedom of development, and acquire better credits among many other benefits.

Owning a house gives one confidence of security of any economic turbulence. Inflation is an economic reality that anyone renting a house will always experience. When for instance the cost of life goes up because of a rise in the oil prices pushing the cost of buying goods and even acquiring property to a higher mark. One who wants to buy a home has the freedom to choose the best economic time to buy a house that is when inflation is low and prices of houses are fair. One who rents suffers all the effects of inflation that normally results to increased rent paid each month. The burden of inflation finally rests on the back of the tenant because a property owner just raises the rent charges to cope with the economic challenges and standards of living. Buying a house therefore is a good future security that puts one in a stable condition. One does not have to live with fear of having unexpected expenses. A house owner is the key holder of the house and so no one can ask them to vacate the house any time as it is common in rental houses whereby the owner may ask one to leave if not happy with the tenant. This is especially common in states where there are no sufficient laws protecting tenants from discrimination of the property owners.

Buying a home is an investment that many people do not realize. The more one pays mortgage for instance, the more he or she owns that house.

Ownership of the property rises in proportion with the amount of mortgage that one is paying. A person paying rent does not stand to gain anything in future because all the money goes to the property owner and so the person has nothing to expect in future. The developments that one makes on the vacant space of the house for instance the garden continues to add more value to the house.

Buying a home also helps one to enjoy an advantage of tax relieve to some extent. Depending on the state, either portion or all of the real estate tax and interests arising from the mortgage are usually deductible from the income tax. Those who do not own homes or pay for mortgage however do not enjoy such benefits because they are taxed on total income earned without any deduction. Basing from the fact that mortgages are paid over long period say 20 years if the amount is summed, it accrues to a lot of money, which then becomes savings for the homeowner.

Home ownership is a long term saving plan. Buying a house may seem expensive at the start but in the long- run, it is cheaper compared with paying rent. If one calculates the amount of rent paid each month over a period of about 20 years it might be enough to buy a new house. Paying rent may seem to be a small amount of money but if one does cumulative statistics, it reveals that it is better to pay for a mortgage than to pay rent. At the end of the day, the difference for money will be negligible whereas one is homeowner while the other one is still a tenant. As time, pass the interest part of the mortgage payment lowers as compared to the rent paid.

Owning a home enables one to build equity that accompanies appreciation. Historically land together with the house located in it has been witnessed to appreciate over time. It is very rare to see the value of such property going down and so this is an advantage to a landowner. It is very hard to build equity if one is a renter because even if the property owner allows the tenants to develop, appreciation of the property is to the advantage of the property owner. Appreciation of the house always leads one to a better second home. Consider for instance a house appreciating at a rate of 5% per annum and then one decides to develop for 10 years and decides to sell it. With the urge profits, such a person is likely to go a better house and all this is because of property appreciation.

Owning a home gives one an opportunity attain financial stability because those home owners who have fixed-rate mortgages, usually have the same payment up to about 30 years. Those with adjustable rates have a range and therefore can predict the potential mortgage payment. Such information is very important for one to have a financial plan and be able to work harder to acquire financial stability. On the other hand, those people who rent have no idea on what they will be paying in a few coming years. Such kind of financial unpredictability is of great concern because rates may rise unexpectedly especially due to economic regression thus tampering on savings. One is always left with fear of what might happen tomorrow, hoping for economic stability something that is of great challenge.

A homeowner who is business minded and entrepreneurial in nature can benefit from the capital gain exclusion. In States like California, one may exclude even up to \$240, 000 if one is single or \$500, 000 if married of the

profits accrued from the capital gains. The provision of the law does not dictate that one must have a replacement home or must move up nor does it give age restrictions for one wishing to engage in such business. Therefore, one can exclude from such threshold in every two years, sell the property, and enjoy tax-free profits. This is a good business venture especially now when every person is aiming at being a homeowner. There is a high market demand for homes and so it is very possible to acquire and sell a house within a period of two years and thus evading the taxation on profits.

The aim of every parent is to ensure that their children live the best lives. Parents who are homeowners are able to leave something for their children as an inheritance given that a home is a permanent structure and may last for years. It gives a great satisfaction and joy to see that they have something of high value that they can pass over to their children if when they pass on. Therefore owning a home in some societies is considered as one of the parental obligation that every parent need to strife to achieve. It also allows one to create a greater attachment to the neighborhood and neighbors. People living in rental houses usually do not spent much time thereby making it difficult to create bond and friendships among neighbors because it takes some time for people to build trust amongst each other. It becomes very for two homeowners to have a good rapport with each other because they spent much time there.

Research reveals that owning a home result to better health outcomes, better physical and mental health. Homeowners have much control over control over their lives and less stress in life. They can choose how to live their lives without facing restrictions from any property owner, as it is

common in those who rent homes. Science dictates that a relaxed stress free environment is an important ingredient for a better health. Most of the health conditions people experience in life comes because of too much constrain and unfulfilled goals. The satisfaction of owning a home creates an environment of personal satisfaction in a person's life. Most of them if not, all are always satisfied, have high self-esteem, happy and re perceived to have much control over their lives. It is not easy to find them engaging in risky things that compromise their health like drugs and substance abuse, prostitution, suicide attempts among others. Even though owning a home comes with its own challenges and responsibilities the above benefits makes one to conclude that buying a house is much better than renting.

Home ownership is consider to be a momentous occasion full of achievement and the biggest dream for an individual since it signifies the financial state and securities of that particular person as a result of hard work. Many inexperienced persons with the interest of purchasing a house are victims of bad mortgage and predatory lenders. As oppose to person paying rent that mostly encounters the risk of the increase in the lease cost, those owning houses monitor or sticks to fixed rate loans which enables them to set their payment and maintain it in a certain state for a specified period of the term. Home owner are entitle to a better credit rating and are in a better position to borrow against their equity particularly when their homes increases in value

Pride of ownership is a contributing factor whereby most people in the globe desire or more so yearn to have their own houses. This gives a person a sense of accomplishment and that good feeling of having a permanent

settlement in the world. Home ownership is advantageous because it gives an opportunity of having a yard where people relax and enjoying their privacy. Persons with their own home enjoy the freedom of decorating their houses according to their preference taste. This means that one is free to paint the walls any color of their choice and can make attachment around the house either permanent or temporary. In addition, the owner of a home is comfortable and free to turn up their music volume without being a nuisance to anyone (Rockwell 2005). In scenarios of house renting, one is required to consult the property owner for any changes to be made. It feels nice to have the freedom to do whatever a person want because the property is his or hers.

Persons with their own houses are said to be having well build and happy families because the family members are privilege to enjoy enough space to perform their activities. This simply means they have comfort, pleasure, and safety. Buying a home is relative cheap compared to renting; That is, when a proper guideline for calculating and figuring out the mode of payment is put in place. For instance, one can pay approximately the same price with that of a renter in a monthly basis. In an economic perspective, settling of the mortgage is another way of investing because at the long run the house will become yours permanent thus getting back the equivalent of the amount spent over a spread period of time (Tyson & Brown 2012).

Buying a home is on the hand a responsibility because the buyer will acquire a sense of community and will be financially oblige to work on their home to portray a good image to their neighborhood. This gives the buyers a maintenance responsibility since they are answerable to themselves in

repairing broken items in house. These permanent settlement gives the buyer of the house a sense of being part of a permanent neighborhood rather than being among the people just passing through. Also purchasing of a home has motives people to actively participate in the community either by joining the PTA, forming social clubs or seeking for a local post/offices.

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