

# Buying the most expensive thing



Recently my family bought a new home, and while it was as much money as most homes are ( we are paying \$167, 100 for a three bedroom one bath) it was the most expensive thing we have ever bought. Buying a new home in any economy will always be an expensive endeavor. In this current economy it is a buyers market but there are still many things a buyer and seller must consider when buying or selling a home.

The strength of the economy for a buyer can affect the benefits of the home ownership because it would determine the future market value of the home. It will also determine the market price that has to be paid at the time of purchase as well as determining the interest rate of how much that needs to be repaid. The removal of the tax deductibles of the payments increases the after-tax cost, and when taxes come due on the house at the end of the year there is no added incentives for owning a home.

This will lead to the decrease in buying of new homes and the drastic fall of prices for sellers. There are many other things that can affect whether a person can afford to buy a home, but government spending and taxes are the biggest incentive as to what a family can afford and what benefits they can receive when buying. With an increase to taxes there is less money to spend and save for buying a new home, and the location of the home will effect how much I need to pay in property taxes.