

HOUSING

Bare basics you need to
know.

Housing Cost

Renting:

- Someone else owns the property, and you pay a fee to live there (rent)
 - Deposit
 - Utilities
- Prior to moving in you sign a contract called a lease.

Housing Cost

Owning:

- You own the property by purchasing it.
- Homes cost more than what most people have.
- Therefore, they are required to:
 - Pay a down payment (20%)
 - Borrow the rest from a lending institution (mortgage).

Renting: Advantages

- Level of freedom
- Very little maintenance
- Less up-front cash

Renting

Disadvantages:

- Throwing money away - You are not investing it in a home's value
- Ability to decorate and personalize your living space is limited
- No tax advantage: landlord will benefit from any kind of tax break
- Rent can increase - often yearly

Owning a Home Advantages:

- You are making an investment
- Tax benefits - you can deduct your mortgage interest and property taxes
- You can customize your dwelling
- Psychological benefits - a place to truly call home
- American Dream



Owning a Home Disadvantages

- Your home is an investment:
 - value may go up or stay the same but it may also decline.
- Harder to move
- Maintenance
- A sizeable down payment - is usually required when buying home (20%)

Property Tax:

- 1% of the value of your home (2 payments or monthly).
- December 15th, June 15th

Homeowners Insurance

- Lender's require that you have insurance in case anything happens to your home.
- Why?

Guidelines

- Required to buy a home
- Under \$1,000,000.00
- No foreclosures or short-sale
- Has to be in the United States

<http://www.theziagroup.com/carpinteria-real-estate.php>

Utilities:

- Gas:
- Water:
- Trash:
- Electricity:
- Cable, phone, and internet:

Words to Know:

- Lease
- Mortgage
- Down-payment
- Property tax
- Home Owners Insurance

Work cited

- Adapted from:
http://www.pages.drexel.edu/~Ids28/buyorrent_files/frame.htm

Now lets begin our search:

Our family:



Directions

- Housing Activity
- www.trulia.com