

Hi, Jerry Manor here. Today on SeaComm Money Matters, Renting vs. Buying a home, the pros and cons.

Let's start with the pros of renting. Renting is cheaper than buying in the short term because you don't need a big down payment and closing costs. You have much more flexibility with changing your home and moving around. This is great for individuals not set on living in the same place for years to come. When you rent, you aren't responsible for maintenance. Instead, you can call your landlord and have them fix any issues that pop up. You won't have to pay property taxes if you're renting.

Next, the cons of renting a home. Your monthly housing costs aren't stable from year to year. When your lease ends, your landlord may raise the rent. If you choose to move, you may have difficulty finding affordable rentals in different locations. You don't get to build equity with each rent payment. Instead, your landlord gets all the equity out of the home no matter how well you take care of it. You may need to move suddenly if your landlord sells the property or doesn't renew your lease. You may find it difficult to make changes in your home, and there's no guarantee that your requests will be approved. All things considered, renting a home is ideal if you want flexibility and don't plan to stay in one place for a long time.

Now, the pros of buying a home. Owning can build equity over time and help grow your overall wealth. Many consider it a wise financial decision. You can have more control over where you live, and flexibility in how you live as you can change things in the house and have pets if you want. Can't always have pet in a rental. If you have a fixed rate mortgage you'll have steady monthly payments that won't unexpectedly rise with market changes. You can budget precisely what you'll pay a year from now without worrying about how the market might change before your next lease. Buying a home can bring stability to your family and the community you're nurturing. As long as you can pay your mortgage, you can stay in your home and contribute to the neighborhood.

Now the cons of home ownership. Buying means you have to pay for all maintenance yourself and find a way to get it done as well. Typically, you'll have to provide a large down payment upfront. You could spend this money on other investments that have the potential to out-earn what your home investment might one day provide. Owning a home makes it more challenging to move across town or to a new geographic location. And you'll have to pay property taxes on your home every year. Buying a home is typically best if you have stable employment and plan on remaining in the same home for several years.

Paying off a mortgage over 15 or 30 years is usually cheaper than renting, but it may not be the best choice for everyone. Many factors affect affordability,.

Whether it's better for you to rent or buy depends on your specific circumstances. If you have a stable job and income and don't mind staying in one place for several years, buying a home could be the right choice. If you're not ready to settle down or want the flexibility to move at a moment's notice, renting might be the way to go. Other factors like your age, current financial situation, job security, how long you plan to stay in the same area, and more all come into play. Deciding to purchase a home is a

personal choice that you should review with a mortgage specialist here at SeaComm to help answer your questions and guide your decision.

If its down payment and closing costs stopping you and you're a first-time homebuyer be sure to check out the homebuyer dream program at SeaComm. We're excited to partner with the Federal Home Loan Bank in offering down payment and closing cost assistance of up to \$19,500 to qualified homebuyers! The Homebuyer Dream Program™ is a grant that makes funds available to first-time homebuyers earning at or below 80% of the Area Median Income.

If you haven't been able to save for a down payment or don't have enough set aside to purchase the home of your dreams, this is the perfect opportunity for you! The Homebuyer Dream Program has re-opened and will run through November 29, 2024 or until the allotment is exhausted. For more info go to seacomm.org. Thanks for listening and have a great weekend.