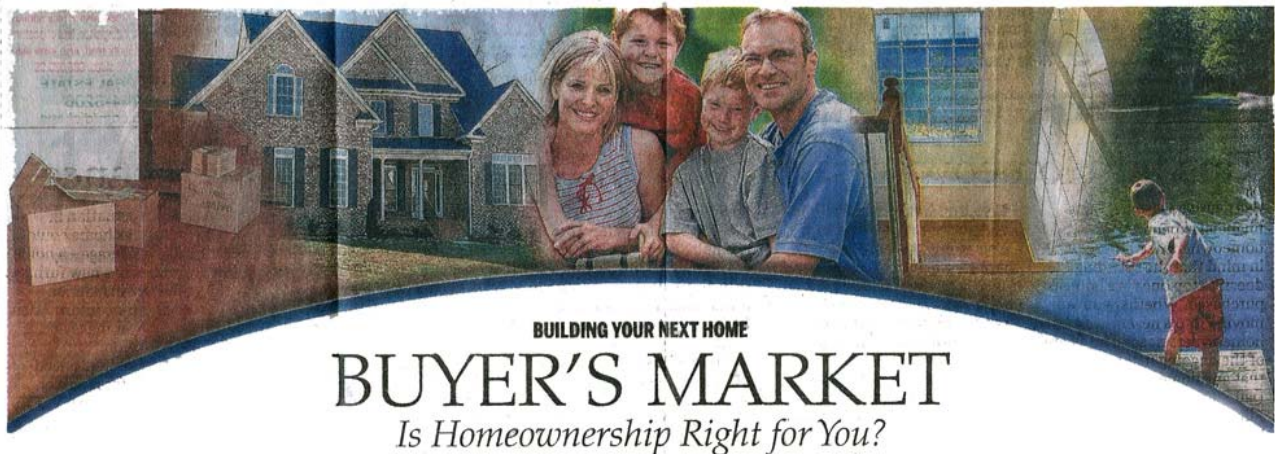


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Wentzville Journal  
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BUILDING YOUR NEXT HOME

## BUYER'S MARKET

*Is Homeownership Right for You?*

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**DURING THIS UNPRECEDENTED BUYER'S MARKET** many people are trying to decide whether it is the right time for them to buy a home. There are many limited-time incentives driving a renewed interest in home buying, but becoming a homeowner is a big decision that should be carefully considered from the short- and long-term perspectives.

How can you determine whether or not homeownership is right for you?



**THERE ARE A MULTITUDE OF REASONS THAT NOW, MORE THAN EVER, IS A GOOD TIME TO BUY A HOME.**

Here are some answers that might help you make that decision.

**WHAT MAKES NOW A GOOD TIME TO BUY A HOME?**

There are a multitude of reasons that now, more than ever, is a good time to buy a home. Interest rates are at record lows; home prices are competitive, which allows you to get more home for your dollar; there is a wide selection of homes on the market to choose from; and there are new federal tax incentives available to certain homebuyers for a limited time.

**WHAT ARE THE TAX INCENTIVES?**

There are homebuyer tax credits of up to \$8,000 for first-time homebuyers and \$6,500 for some repeat buyers for homes under contract before May 1, 2010 and purchased before July 1, 2010. If you want to build a new home, it needs to be under contract before mid-February to meet the deadlines. More specific information on both credits can be found at [www.stlhba.com](http://www.stlhba.com).

Many homeowners will also see savings on their federal income taxes

for years to come. Deductions are often available for the mortgage interest and real estate taxes you pay each year on your home. These savings can add up significantly over the years. For example, a borrower with a \$60,000 annual income with a \$180,000 mortgage at a 5.5 percent interest rate would see a savings of \$5,939 over the first five years.

Also, when you eventually sell your house, there is a capital gains tax exclusion on the money you make from the sale of your primary home, under a certain dollar amount. Check with your tax advisor about the many tax benefits of homeownership for which you may qualify.

**WITH RENT PAYMENTS OFTEN CHEAPER THAN MORTGAGE PAYMENTS, WHY IS IT BETTER TO BUY?**

Owning a home builds equity and helps grow your personal wealth over time. When you own a home, you will realize a return on your investment when you sell since housing historically appreciates over the long term. You will

not get this return on your investment when renting.

Also, with a fixed-rate loan, your monthly mortgage payment will remain the same. This does not hold true for rent, which can increase each year. If you continue to rent long term, you may find that your rent will eventually be higher than a mortgage payment would have been if you had purchased earlier.

**ARE THERE OTHER BENEFITS TO HOMEOWNERSHIP?**

Homeownership typically represents the largest source of net worth for most families. Beyond often being a good investment, it also provides a place to raise your family and create lifelong memories. Additionally, there's ample research demonstrating that homeownership produces significant individual and community benefits as well.

You can start your search today by visiting [www.stlhba.com](http://www.stlhba.com) and clicking on "Search for New Homes Now."

See more on [STLtoday.com/folio-online](http://STLtoday.com/folio-online)