

*This article appeared in the following media:*

*Collinsville Herald  
Granite City Press-Record  
Monroe County Clarion  
St. Clair County Journal  
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*St. Louis Post-Dispatch New Home Folio  
St. Charles Journal  
Wentzville Journal  
March 7, 2010*

**BUILDING YOUR NEXT HOME**

# NO PLACE LIKE IT

*Homeownership Benefits Both the Owners and Community*

**THE FOLLOWING ARE JUST SOME OF THE WAYS HOMEOWNERSHIP BENEFITS YOU AND YOUR COMMUNITY:**



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Both mortgage interest and property taxes are deductible. Moreover, profits of up to \$500,000 on the sale of a principal residence (or \$250,000 for a single owner) are excluded from tax on capital gains.

### **The Power of Leveraging**

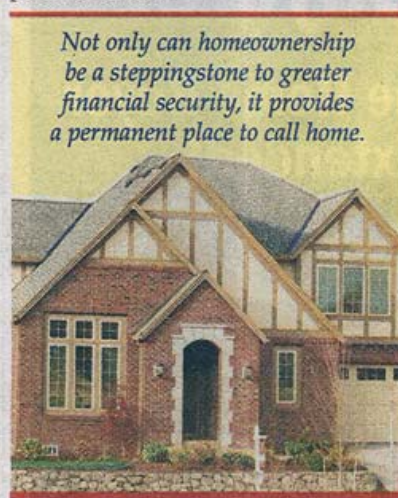
Leveraging is another advantage of homeownership. A buyer can purchase a home and receive the full benefit of homeownership with a cash downpayment that is only a fraction of the total purchase price. This is called leveraging, and it makes the rate of return on a home purchase much greater than on another purchase with the same value where the buyer must put up the entire price.

### **Tax Benefits: For Home Owners Only**

Unique tax benefits that apply only to housing also help lower the cost of homeownership. Both mortgage interest and property taxes are deductible.

Moreover, profits of up to \$500,000

For example, if a buyer makes a downpayment of \$15,000 on a \$200,000 home and the home's value increases to \$205,000 over time, then the home owner's equity (the value of the home minus mortgage debt) has increased from \$15,000 to \$20,000. That's about a 33 percent increase.



*Not only can homeownership be a steppingstone to greater financial security, it provides a permanent place to call home.*

### **Building Personal Resources**

For most Americans, homeownership is a primary source of net worth and an important step in accumulating

personal wealth over the long term. While property values have declined in some markets, Americans currently have a total of almost \$8 trillion in equity in their homes, and for most families, home equity represents the largest share of net worth.

### **There Really is No Place Like Home**

Despite the positive financial aspects of homeownership, a home cannot be valued in monetary terms alone because it is so much more than just an investment. Not only can homeownership be a steppingstone to greater financial security, it provides a permanent place to call home and great personal satisfaction. Academic research shows that homeownership results in a wide range of social benefits.

Moreover, benefits aren't limited to individual households. Homeownership strengthens the nation's communities. It is truly a cornerstone of the American way of life.

Visit [www.stlhba.com](http://www.stlhba.com) and click on "Search for New Homes Now" to view more than a thousand homes built by members of the Home Builders Association of St. Louis & Eastern Missouri.