

HOME, SWEET HOME

NOW-OR LATER?

THE BIG GAMBLE. "If I postpone buying a house, will I save money?" That's the big question asked by house hungry folks these days who want to keep an eye on their money. And the advice they're getting may not always be the best. If you've been advised to wait for housing costs to drop and interest rates to relax, it's a gamble, and the odds are against you. Prices of homes go up every year, an average of 6%--and that's a conservative estimate. And only a spectacular drop in interest rates could really effect a savings for you. That's because it takes an interest rate drop of 2% to equal the 6% annual increase on a \$50,000 home. And the costs of land, labor and building materials are likely to continue increasing. All of which means, if you're looking for a home and you wait to buy it, you'll end up paying interest on a lot more money for the same amount of house.

COSTS CAN'T COME DOWN. It's a familiar story. Historically the cost trend is always upward. Land, materials and construction are bound to follow. Compare the median price (\$23,030) for existing homes in 1970 with the median price of \$32,040 in 1974. That's a 39% increase. National averages show that construction costs will probably go up at least 15% each year you put off buying your new home.



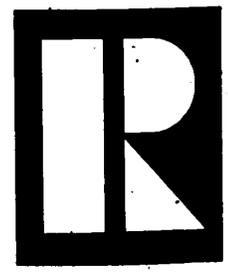
TIGHT MONEY? It's almost always available for good mortgages. These days the lending institutions, and the government too, are bending over backwards to help home buyers obtain mortgage aid. Interest rates, which are not nearly as high as most other family credit, have been dropping a little, as reflected in this year's FHA-VA mortgage interest cut from 9 to 8 1/2%. And of the types of mortgage loans available (conventional, FHA and VA), almost all can be arranged for a new home with easy, long-term payments and a moderate down payment. So, while it's important to shop for a mortgage that best suits your needs, you can obtain some excellent financial packages now at rates that may never be available to you again.

ENJOYMENT NOW Almost everyone wants a place to call their own. Whatever your reasons for wanting to buy, the one at the top of the list is probably your family. That's because where you live affects the quality of your life, and buying a home represents a better way of life for most. And now more than ever before, you need to feel happy with your surroundings. Buying a home any day can be a smart move because it offers a lot of advantages: security, contentment, privacy, pride of ownership, as well as increasing equity and important tax advantages. Buying a home today can be especially smart in view of lowered interest rates and opening credit. Practically speaking, a new home looks good because it usually requires a lower down payment, is easier to get a mortgage for, and costs less to maintain. But new or old, the choice of a home depends upon your needs and desires. Making that choice now means that you and your family can enjoy now.

THE FUTURE. Homes today look good in terms of the future. Home modules and lots in the decades ahead will probably be much smaller, while the possibility of materials shortages continues to loom. And as price tags everywhere carry higher figures, so will the ones on homes. Taking value appreciation, costs and equity into consideration, buying a home today looks like a good idea.

BUT THERE IS A BRIGHT SIDE. Compared with expenditures on many items, homes offer very good value for the money. And experts agree that a good home is your best hedge against inflation these days because it increases in value an average of 6% a year. So, though the dollar becomes "cheaper," your home value zooms and your payments remain the same. To continue to wait (pay rent) in the hopes of buying a home for less in the future appears the expensive way to cope with today's inflation.

A CREATIVE LOT. Whatever your reasons for buying a home, you want to find the best one for your needs, wants and means: a place that "works" for you and your family. Realtors can be a creative lot when it comes to helping you make that choice. They're professionals who can offer you up-to-the-minute counsel on home values and financing opportunities...counsel which can prove invaluable to you in these confusing economic times. Local realtors are great to use as guides when you're hunting for a home, and can definitely make the home buying process simpler and more pleasant for you.



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