

## **The Lasting Value of Homeownership**

During National Homeownership Month in June, the housing industry celebrates the many benefits of owning a home. Despite the downturn in the housing market, families continue to seek to achieve the American Dream of homeownership and take their place among the more than 74 million Americans that own a home.

The value Americans place on owning their home continues even through times of economic hardship. The Fannie Mae National Housing Survey conducted in January 2010 showed that two-thirds of American adults said they still preferred owning a home. And 70 percent of respondents said they believe buying a home continues to be one of the safest investments available.

Home appreciation over the long term builds financial security for a family's future. But most home owners don't have to wait for the home's value to increase to realize the financial benefits. Right from the first year, the majority of home owners are able to annually deduct the mortgage interest and property taxes they paid off their taxable income. This can mean thousands of dollars saved off a family's tax bill every year.

When the family sells the home, the capital gains exclusion exempts up to \$250,000 of the profit (\$500,000 for married couples) from taxes.

But the value of homeownership can be much more than financial.

Owning a home can often be a lifestyle improvement, enabling a family to enjoy a neighborhood, features and other amenities that suit their present and future day-to-day activities.

Newly-constructed houses can deliver energy efficiency, storage space, well-designed floor plans, and the latest technologies in electrical systems and appliances. Rooms are often spacious, with high ceilings and lots of windows to let in light. A new home also comes with the peace of mind of little maintenance needed and a warranty against defects.

Existing homes offer neighborhoods whose character has already been established, mature landscaping with tall trees, and an existing selection of businesses and services for the home owner to use. If the home isn't already a great fit to the buyers' taste, it can be renovated to reflect the new owners' needs and preferences.

Homeownership lets families build connections. Owners take pride in their homes, and develop friendships with other people who also own homes and care about the neighborhood. A home is a place where families make a sanctuary that feels comfortable and safe, and where they develop social networks, begin friendships and create memories that will last a lifetime.