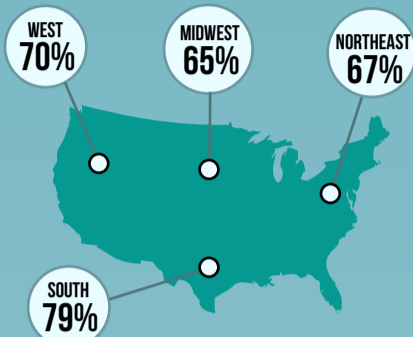


# TO RENT *or to* BUY?

For those seeking stable monthly housing expenses, tax savings and a long-term investment, **HOMEOWNERSHIP HAS MANY ADVANTAGES**. For those who need to move frequently or cringe at the thought of lawn work, renting may be the best option. Markets will move up and down in the short term, but **REAL ESTATE HAS CONSISTENTLY APPRECIATED OVER TIME**.

## PERCENTAGE OF Renters PLANNING TO BUY A HOME:



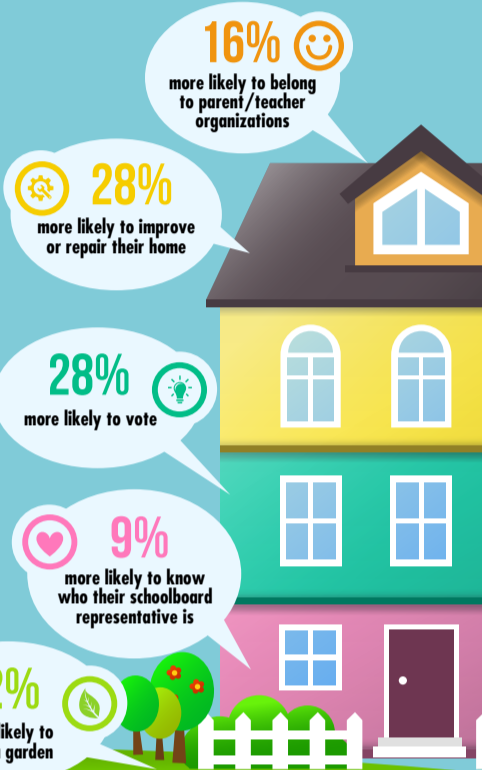
## MYTH RENTING IS ALWAYS LESS EXPENSIVE THAN OWNING.

A fixed-rate mortgage might not change for 15 to 30 years, while rent typically increases about 5% per year. In many cases, the amount of money a homeowner spends **OVER TIME** can be much less than what a renter spends. With the homeowner's tax benefit, the savings can be significant.

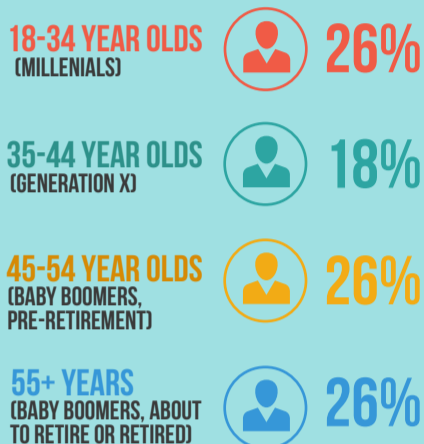
## Homeowners vs. Renters

On average, homeowners stay in their homes longer and are more engaged in their communities than renters, which leads to nicer neighborhoods and more involvement in civic activities.

### Homeowners Are:



## PERCENTAGE OF Americans whose view of home ownership has become more positive over the past six months:



Source: Trulia American Dream Survey, Q1 2011

HISTORICALLY, A HOMEOWNER'S **Net Worth** RANGES FROM 31 TO 46 TIMES THAT OF RENTERS!

Source: United States Federal Reserve

SEE TABLE BELOW

## RENTING CAN BE MORE EXPENSIVE OVER TIME!

In the below example, the renter starts out paying \$800 per month with annual increases of 5%. The homeowner purchases a home for \$110,000 and pays a monthly mortgage of \$1,000. With tax savings, after 3 years the homeowner's monthly payment is lower than the renter's.

YEAR	RENT PAYMENT	MORTGAGE PAYMENT	YEARLY DIFFERENCE FOR HOMEOWNER AFTER TAX SAVINGS
1	\$800	\$1,000	-\$600
2	\$840	\$1,000	-\$120
3	\$882	\$1,000	+\$384
4	\$926	\$1,000	+\$912
5	\$972	\$1,000	\$1,464
6	\$1,021	\$1,000	\$2,052
7	\$1,072	\$1,000	\$2,664
8-30			SAVINGS INCREASE EVERY YEAR

Source: Gimie Mae (Government National Mortgage Association), 2011

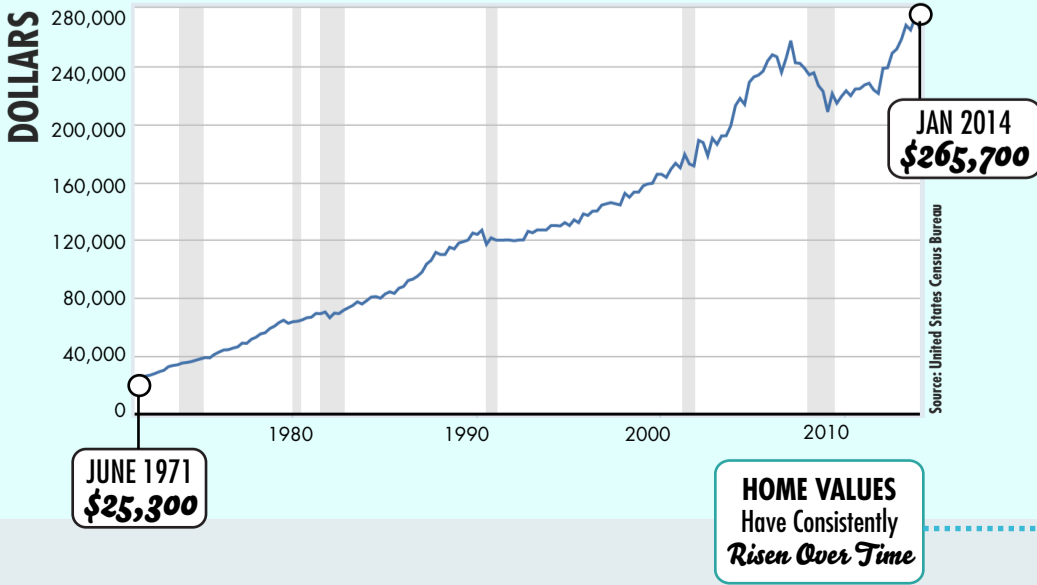
## AVERAGE 30-YEAR FIXED MORTGAGE RATE JUNE 1971 - OCT 2014



Source: Freddie Mac (Federal Home Loan Mortgage Corporation), 2014

**78%** OF U.S. HOMEOWNERS SAY THEIR HOME IS THE **Best Investment** THEY'VE EVER MADE

## MEDIAN SALES PRICE OF HOUSES SOLD JUNE 1971 - JAN 2014



Source: United States Census Bureau