

Buying vs. Renting

In today's economy, both buying a home and renting a home have their advantages. Which one is better for you? The answer to that question might be better known after you have reviewed this document.

Advantages of Renting

- Renting enables you to possibly pay less than what a monthly mortgage loan would cost. We say this loosely because we have found that in most cases, you will actually pay more in rent than you would for a mortgage loan when comparing apples and apples. For instance, you could certainly find a less expensive place to rent like an apartment or a smaller home or even a condo. However, would you want to buy the same size apartment, house or condo? Most likely not. You would probably opt to purchase something that would suit your needs long term and not just right now.
- The ability to move very quickly (depending on your lease)
- Most renting situations require the owner to fix broken items such as appliances and other major items whereas, when you buy something you will have to be responsible for those items.
- You also have to ask yourself if you could comfortably make your mortgage payments including taxes and insurance on the property and maintain the lifestyle in which you desire to live

Advantages of Buying

- Taxation. That's right... If you are renting, the owner is actually getting all of the tax credit and in some cases, this can be a good amount. When you are buying a home, you will be able to deduct your interest on your mortgage payments along with your property taxes from your taxable income at the end of each year. During the year that you buy the home, you can also deduct some of the closing costs that you incurred during the purchase.
- Building for the future. Over the long haul of housing, real estate has always been a great investment. They call it the American Dream. As your payments are made, there will gradually be a deduction in your principal balance therefore building equity in your home. You can later use this investment to help pay for retirement, college or even that Porsche that you will want one day.
- You can paint where you want to, put up a fence, get a dog, have your daughter write on the wall... Why? Because it's your home!

Assess the market and asses your current situation and this will help you make the best decision for you!

We look forward to working with you on all of your real estate and mortgage needs!

Feel free to contact us at 803-765-1680 or visit us at www.MidlandMortgageCorp.com