

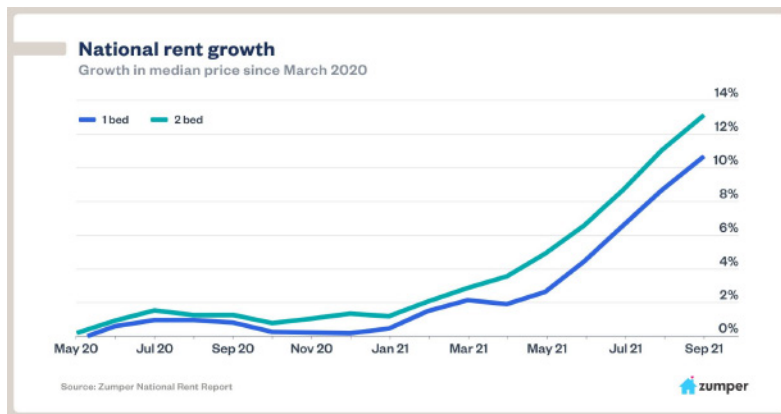


## When Your Home Builds Wealth, Why Rent?

Rents across the nation are increasing at an alarming rate.

**One-bedroom rent has gone up 10.7% and two-bedrooms are even higher at 13.1%** according to the [Zumper National Rent Report](#).

Their report further shows that rents have been hitting new all-time highs almost every month in 2021. One-bedroom rent was higher every month except April this year. Two-bedroom rent has consistently increased since February 2021.



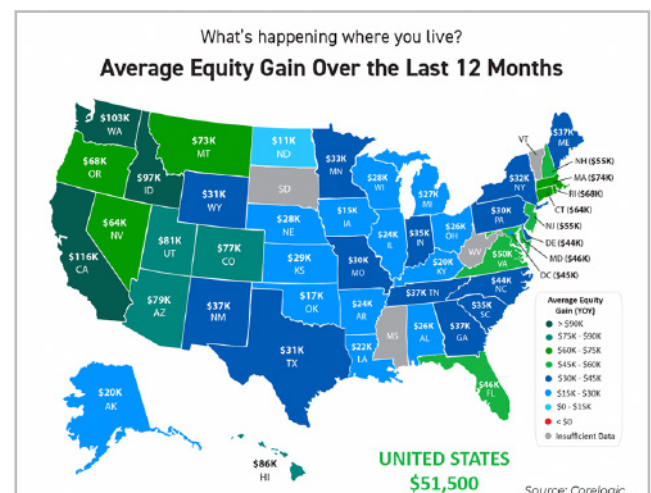
These prices show no signs of slowing down either. [Apartment List](#) shows that vacancy rates are down to 3.9% this September. A much tighter supply than the usual 6% rate recorded pre-pandemic. Low vacancy rates will lead to fierce competition between apartment hunters and drive up prices.

If you're renting, these increases are only benefitting your landlord. It's a different story for homeowners. Yes, home prices are rising too, but over time these increases will build your wealth due to equity. [Research from the National Association of Realtors](#) further proves this point,

**“Homeownership is a key pathway to building wealth** and narrowing the racial income and wealth inequality gap. Housing wealth (equity) accumulation takes time and is built up by price appreciation and paying off the mortgage.”

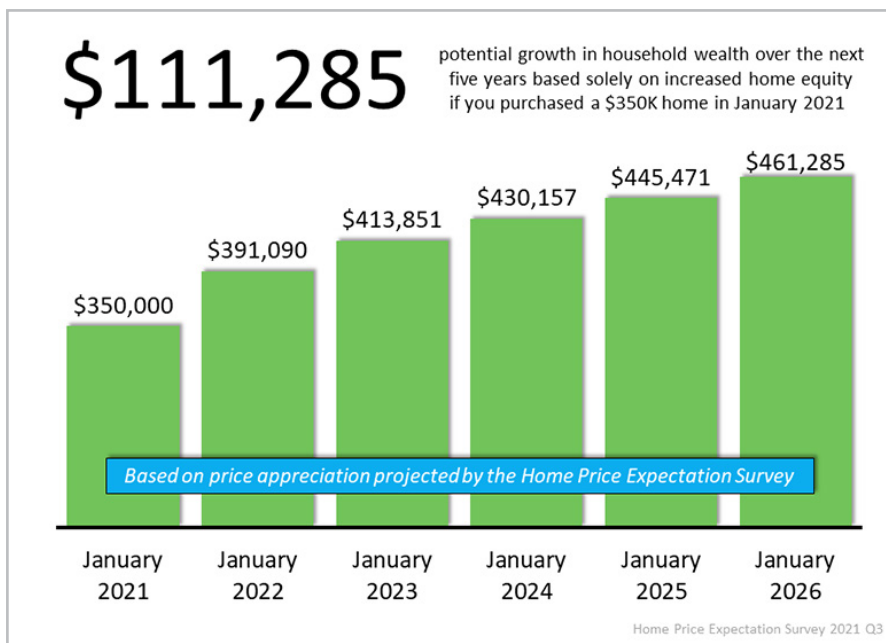
Data from Corelogic shows how much money the average homeowner made the past year just from making their monthly mortgage payments.

The average homeowner has gained \$51,500 in equity over the past 12 months! Home prices aren't expected to rise this



quickly in the next few years, but there's still a lot of wealth and equity to be gained in a home purchase today.

Over one hundred economists, real estate experts, and market strategists put together their most recent Home Price Expectation Survey. They predict home values (which reflects equity) to continue appreciating for the next few years. Their expected price increases were applied to a \$350,000 home to create the chart below.



That's a possible \$111,285 of equity to be gained over the next five years!

### Bottom Line

With rents and home prices on the rise, why not take advantage of homeownership? You can keep a consistent monthly payment and directly benefit from home price appreciation.

**Want to learn more? Please [schedule a call](#) today!**

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