



The dream of their own home may not be as difficult to realize as many people fear, even these days.

Your home is your best investment

Making a smart home-buying decision in today's market can be challenging, especially without good information.

It is important to remember that all real estate is local, and conditions vary greatly from one community to another.

Historically, homeownership builds wealth over the long term. Median home prices have been rising for years and, on average, homes have appreciated at about 6 percent annually for more than a generation. (Homes in the Buffalo-Niagara region have appreciated 26.5 percent over that last five years.)

"Housing is a good long-term investment," said National Association of Realtors chief economist Lawrence Yun. "Many markets today offer great opportunities for homeownership and real estate investment."

With reports of tighter credit markets, buyers may worry that they cannot qualify for a loan. "For buyers able to qualify for conventional financing, there are ample opportunities in the current market, and FHA-insured mortgages are on the rise," Yun said, adding that buyers have many things going for them in the current market:

Abundant choices. Increased housing inventory means buyers can negotiate better prices and terms.

Available credit. Congress is working to reform FHA programs and increase loan limits in some areas to give buyers more options. The Veterans Home Loan Guaranty program, administered by the U.S. Department of Veterans Affairs, also offers excellent options to veterans.

Low interest rates. Mortgage interest rates have been declining, making borrowing more affordable for potential homeowners.

Wealth-building potential. Studies show that homeowners have an average net worth of \$184,000, compared to just \$4,000 for renters. Owning a home returns psychological, social and community benefits, as well.

The experts on homeownership a NAR say many cities offer affordable home prices, making now a good time for people to become homeowners.

A Realtor can explain market conditions and help you take advantage of