

## To Rent Or To Own: If That Is The Question, There's A Very Simple Answer

Watching how your investments fare in today's volatile stock markets may not be good for your health. For many people, the additional investment in a home -- with the monthly mortgage, homeowners insurance, and never-ending care and feeding -- seems like far too great a burden. They ask questions like, "What if we have to move but can't sell our house?" and "Am I really saving money by with these additional tax deductions?"

These days, the answers often are found in an Atlanta-area apartment home.

"The inherent advantages of apartment living now appeal to a far wider spectrum of the population," said Jerry Wilkinson, 2002 President of the Atlanta Apartment Association. "When you rent an apartment home, you have greater flexibility than when you own a house. So many times, the difficulties that arise in selling your home complicate everything else -- the timing of your move, when and where your children will go to school, when you can start your new job, and even how much you can spend on your next house."

Mr. Wilkinson said that renting an apartment home provides more flexibility, more control, and fewer challenges when the time comes to relocate. And, those big tax savings derived from owning a home? Not so fast, said Mr. Wilkinson.

"In most cases, it takes a long time for your monthly mortgage payments to start chipping away at the principal of a home loan. Those payments are going to the bank to pay the interest, especially in the first five years of ownership," he said. "And although mortgage interest payments are tax-deductible, many families do not meet the standard deduction level when they combine their interest payments with other itemized deductions."

According to a recent Fannie Mae National Housing Survey, more than 40 percent of apartment residents said they rent because they prefer apartment living, not because they are forced to rent due to circumstances. This has signaled a new wave in the apartment industry.

### **Not Your Father's Apartment Home Anymore**

"America's housing preferences are changing," said Doug Bibby, president of the National Multi Housing Council. "As life gets more hectic, as commutes get longer, and as the age and composition of our population changes, many households are deciding that apartment living is a preferred lifestyle."

Oh yes, about that commute. Atlanta's tough traffic is its worst kept secret. But apartment residents own fewer motor vehicles -- one per household on average -- and more consistently use public transportation. Apartment households generate 30 to 40 percent fewer vehicle trips than single-family households, according to the Institute of Transportation Engineers. Many new apartment communities are being built within walking and cycling distance of desirable restaurants, markets and schools -- and often with a bus or train stop nearby.

The traditional apartment residents have changed, too. In just the past several years, households making more than \$50,000 annually have been the fastest growing segment of the U.S. apartment market. Your new neighbors in an apartment community will be more diverse than in the past -- the first round of baby boomers (now thinking about less space, and a lot less grass to mow...); families with no children (who relish the convenience, camaraderie and location of an apartment community...); as well as young professionals (working hard on their careers and willing to relocate quickly...).

"In the Atlanta area, people seeking apartments have an incredible selection available to them. If you haven't seen some of the current inventory, you will be surprised at how beautiful the communities are, and even more amazed at the amenities and services they offer," said Mr. Wilkinson, who has been a leader in the Atlanta apartment industry for years.