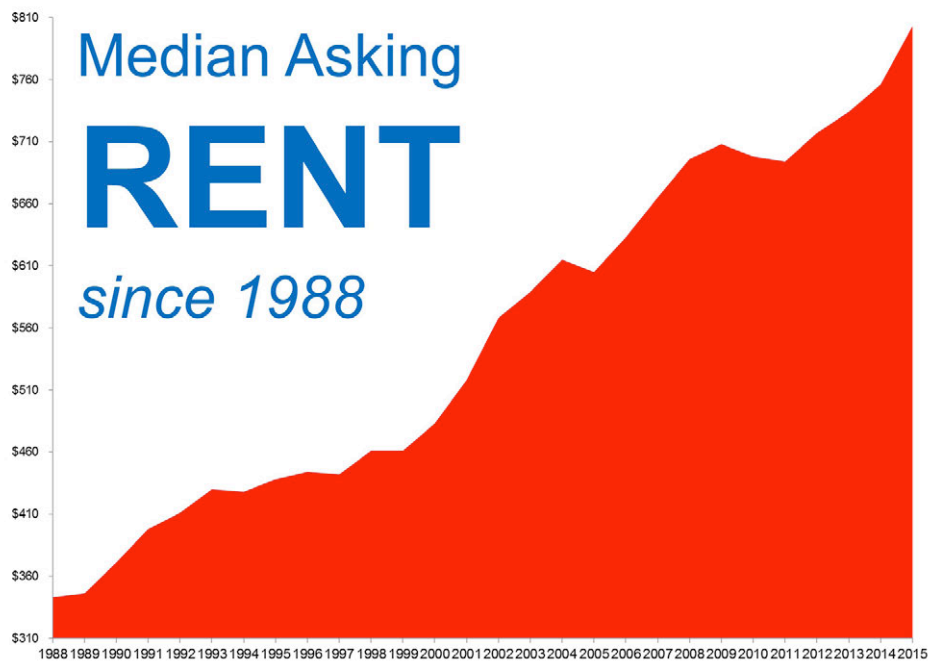


WHEN IS IT A GOOD TIME TO RENT? DEFINITELY NOT NOW!

People often ask whether or not now is a good time to buy a home. No one ever asks when a good time to rent is. However, we want to make certain that everyone understands that today is NOT a good time to rent.

The Census Bureau just released their second quarter median rent numbers. The graph below shows median rent increases from 1988 until today.



At the same time, a report by *Axiometrics* revealed:

“The national apartment market’s annual effective rent growth rate of 5.1% in June 2015 represented a 47-month high, and continued a streak of 5.0%-plus rent growth that is now the longest in at least six years, according to apartment market research. The effective rent growth in June 2014 was 3.7%, putting June 2015’s exceptional performance into perspective.

This is the highest rate since the 5.3% of July 2011. The metric has reached at least 5.0% for five straight months, the longest such streak since Axiometrics started monthly reporting of annual apartment data in April 2009.”

Where will rents be headed in the future?

Stephanie McCleskey, Axiometrics vice president of research, commented on the above report in an article by Real Estate Economy Watch:

“Rent growth is just shy of the post-recession peak, and the June metrics reflect the continued strength of the apartment market. The demand for apartments is still strong, despite the record number of new units being delivered this year. Tight occupancy is why landlords can push rents higher.”

Bottom Line

If you are ready, willing and of course able to buy, now may be the time.

The Cost of **RENTING** vs. **BUYING**

HISTORICALLY:

NOW:

Percentage of Income Needed to Afford **Median Rent**

25.0%

30.1%

Percentage of Income Needed to Afford a **Median Home**

22.0%

15.3%

If you are renting & think you can't afford a home... **THINK AGAIN!**

BUYING COSTS SIGNIFICANTLY LESS THAN RENTING!

Either way you're paying a mortgage, why not have it be YOURS?



Source: *Pulsenomics*