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### Why Buying a Home Makes Sense

Is now a good time to buy a home or should you continue to rent? If you just purchased a home, are you wondering if that was the right move? For help to these answers, KEEP READING.

Rental affordability is still a challenge and has been for years. Rents trend up over time and the data shows that rents have been climbing steadily since 1998. The latest rental report from Realtor.com shows that rents continue to grow today, even if at a slower pace than what was seen at the height of the pandemic. With rents much higher now than they were in pre-pandemic years, owning a home is a great option.

### Homeownership Allows You to Start Building Equity

Buying a home is a huge part of the American Dream. Owning a home allows you to start building equity, which in turn grows your net worth. Home values typically rise over time and the mortgage payments you make every month can help build a powerful asset: home equity. Home equity represents the amount of your home that you own free and clear, as opposed to what is still owed on the mortgage. For example, if the value of your home is \$200,000 and you owe \$150,000, your equity is \$50,000.

Mortgage payments reduce what you owe while your home gains value, so paying on a house has been called “a forced savings account.” This is unlike virtually every other asset purchased with a loan, such as vehicles, which lose value while you pay them off. A home is also likely to be one of the most valuable assets you will own.

### Home Equity Takes Time to Build

Time will help grow home equity wealth. Homeowners who stay in their homes longer are more likely to accrue equity. Traditionally, it’s recommended that prospective home buyers follow the “five-year rule.” That is the minimum window of time where homeowners typically will have begun to build enough equity to recoup their initial purchase costs. Watch the housing market and avoid selling in a cool market or the value of your home may be less.

For many people, owning a home makes more sense than renting a home. Think about all those monthly payments you made to a landlord. You are essentially paying for equity that the landlord now has in the property he owns. So, what is stopping you from buying your own home and building your own wealth?

### Reasons to Buy a Home Instead of Renting

It is a big decision and perhaps you are still torn between renting a home or buying. Most people struggle with this decision, but your choice may be easier than you think.

**You Can Do What You Want with the Property** – If renting, your landlord has control. That means you must get approval to do most anything (even painting the walls). When you own a home, you are in control and have the freedom to live in your home as you wish. When you do certain updates you may be adding value to your property. If you rent and you do these types of things, you are just adding value to the landlord’s property.

**Privacy** – Landlords can stop/drive by anytime, so you can't expect total privacy when you rent. When you own, you can enjoy as much privacy as you want.

**Social Ties** – Renters tend to be more transient, so it may be harder to feel like you are part of a community. However, when you own a home, you put down roots in a neighborhood and form friendships with the people around you.

**Payments Eventually Stop** – Rental payments never stop. Fortunately, that's not the case when you buy a home. Your mortgage payments will eventually come to an end, and you will own the house free and clear. The only thing you will still need to pay is property taxes and insurance. When investing in a home, you invest in yourself and your future.

**Owning Can Be Cheaper Than Renting** – Landlords often require high rents to make a profit and may charge additional fees for rental management services, upkeep, and utilities. Add up the total monthly costs and compare that to a potential mortgage. If you find the right loan product, buying a home might cost less than renting.

**Ownership is a Legacy** – If you own your home and have a family member that needs to move in so you can provide care for them, you won't have to ask anyone for permission. If something should happen to you, you can leave the house to a loved one.

**Owning is an Investment** – Paying rent does not add to your future wealth. Your house builds equity, so every time you make a payment, you add to your equity which increases your personal wealth.

**Tax Break** – There are no tax breaks for rent. When you own, you can deduct mortgage interest payments, energy efficient improvements, and more.

**Stability For Your Family** – For most people renting is viewed as a short-term solution. Numerous studies argue that home ownership has a wide range of benefits on child and family development. Owning is good for you and your family.

**Build Your Credit** – You may not realize that your credit score is impacted positively when you show your ability to repay different types of loans. So even though you have been paying your car loan consistently, you might find that your credit score hasn't changed all that much over time. You will build positive credit faster by adding consistent, on-time mortgage payments into the mix.

**You and Your Family Deserve a Home** – Home ownership can be a wonderfully rewarding experience. A good home can change a person and set a family on the right track for building wealth and giving them a place to belong.

## SHOPPING ONLINE?



If so, you are not alone. In 2022, online shopping scams were the second-most reported type of scam according to the Federal Trade Commission (FTC). But there is good news, you have rights. Here are some useful tips for shopping online:

- If your online order did not arrive or you did not accept it, and now the company won't refund your money, DISPUTE THE CHARGES. If you receive products that you did not order, you do not have to pay for them; federal law protects you.
- Before shopping with a new company, start with an online search using the company's name, plus words like "reviews", or "complaint" or "scam", to see what other people are saying about the company before you shop with them.
- Always check the company's refund and return policies. Most sellers have policies for refunds and returns, and may have a different policy for sale items. Companies often use tricky disclosures and fine print to deny refund requests.

**We all have shopped online, but have you had a bad online shopping experience? Did you order one thing but got another? Were you charged for items that were never shipped to you?**

- If you have a credit card, use it for online purchases. Credit cards offer the most protection against fraud compared to other types of payments, including your right to dispute a charge.
- Save your receipts and confirmation emails. If something goes wrong these may help you get a refund from the seller or file a dispute with your credit card company.
- When buying online, make a record of the company name and website, what you ordered, when you ordered it, and the price.
- Check the company's privacy policy to be informed on what personal information the site is collecting and why. If you can't locate their privacy policy, can't understand it, or don't like how the site will use your information, consider shopping elsewhere.

If you have problems when you shop online, try to work it out directly with the seller or the site owner.

If that is not successful, you can report it to:

1. The FTC or [ReportFraud.ftc.gov](https://www.ftc.gov/report-fraud).
2. Your state attorney general.
3. Your state's consumer protection agency.

# HOMEOWNERS INSURANCE A BEGINNERS OVERVIEW



**Whether you are a current homeowner or planning to own, it would be very beneficial for you to know how homeowner's insurance protects your home and possessions against damage or theft. All mortgage companies require borrowers to have insurance coverage in place for the full or fair value of a property (usually the purchase price) and they won't make a loan or finance a residential real estate transaction without proof of it.**

**If you are a renter, you should still consider insurance; many landlords require their tenants to maintain renters insurance coverage. Even if it is not required by your landlord, it's smart to have this kind of protection.**

## Basics:

- There are three basic levels of coverage: actual cash value, replacement cost, and guaranteed (or extended) replacement cost/value.
- Insurance policy rates are largely determined by the insurer's risk that you will file a claim; this risk is assessed based on past claim history associated with the home, the neighborhood, and the home's condition.
- Homeowners insurance generally covers destruction and damage to a residence's interior and exterior, the loss of theft of possessions, and personal liability for harm to others.
- When shopping for a policy, get quotes from at least three companies. Make sure you compare apples to apples (same coverage/same deductibles). Definitely check with any insurer you already work with; current customers often get better deals, and do ask about bundling your auto insurance to save even more.

**Homeowner's insurance policies are customizable, with certain standard elements that provide costs the insurer will cover.**

- In the event of damage due to fire, hurricane, lightning, vandalism or other covered disasters, your insurer will compensate you so your house can be repaired or even completely rebuilt. Destruction or mutilation from floods, earthquakes, and poor home maintenance is generally not covered. A separate rider is needed if you want that type of protection. Freestanding garages and other structures on your property may also need to be covered separately using the same guidelines as the main house.
- Items such as clothing, furniture, appliances, and most other contents of your home are covered if they are destroyed in an insured disaster. Note that not all disasters are a covered disasters, so get clarification from the insurer on what is covered.
- Liability coverage protects you from lawsuits filed by others. This clause even includes your pets. So, if your dog bites your neighbor, no matter where this occurs, your insurer will pay medical expenses. Or, if your kids visit the neighbors and break their Ming vase and the neighbor successfully sues for pain and suffering, you will be covered for that too, just as if someone had been injured on your property.
- Policies can offer as little as \$100,000 liability coverage, experts recommend having at least \$300,000 worth of coverage, according to the Insurance Information Institute.

## Different Types of Homeowners Coverage

Not all insurance policies are created equal. The less you pay for homeowner's insurance the the least amount of coverage that is probably being received, or vice versa.

In the U.S. there are several forms of homeowners insurance that have become industry standard; they are designated HO-1 through HO-8 and offer various levels of protection depending on the type of residence being covered.

Pay attention to your deductible. The higher the deductible often means the less you pay monthly for the policy; however, your portion of the expenses will be higher if you need to file a claim.

## Three Levels of Coverage

1. Actual cash value – covers the cost of the house plus the value of your belongings after the deducting depreciation (i.e., how much the items are currently worth, not what you paid for them).
2. Replacement cost – replacement value policies cover the actual cash value of your home and possessions without the deduction for depreciation, so you would be able to repair or rebuild your home up to the original value.
3. Guaranteed (or extended) replacement cost/value – is the most comprehensive, this inflation-buffer policy pays for whatever it costs to repair or rebuild your home-even if it's more than your policy limit. Certain insurers offer an extended replacement, meaning it offers more coverage than what you purchased the home for, but there is a ceiling; typically, it is 20% to 25% higher than the limit. Guaranteed replacement value policies will absorb the increased replacement costs and provide the homeowner with a cushion if construction prices increase.

## Do Your Homework

Investigate home insurance companies you are considering via their scores on specific websites (such as A.M. Best, Moody's, J.D. Power, Standard & Poor's) and those of the National Association of Insurance Commissioners and Weiss Research. These sites track consumer complaints against companies as well as general consumer feedback, the processing of claims, and other data. In some cases, these websites also rate a home insurance company's financial health to determine whether the company can pay out claims.



# BOREDOM BUSTERS!

We all look forward to summer, but boredom can creep in before we realize it. By planning some fun activities now, you can avoid some of the boredom and it does not have to break the bank. There are many free and affordable ideas to put on your summer bucket list. Make this summer the year for exploring the outdoors; it's very affordable and a great way to stay active.

## Free Outdoor Activities for Summer Fun (weather permitting)

1. **Parks:** No matter where you live, big city or small town, chances are there is a free park nearby. You can also explore the National Park Service that has some fun ideas about outdoor adventures so check out mapping your visits.
2. **Hike a Trail:** Recreation.gov has information on everything you need to know from easy day hikes to more challenging wilderness routes. You can search/browse different trails and location through the Recreation.gov search tool.
3. **Camping:** Camping is a great affordable getaway. With some planning, you can relax during your getaway while also experiencing an exciting recreational escape with your family/friends. New to camping? The best way to learn is to jump right in and give it a try. You may experience some obstacles, but if you do the research and get familiar with camping basics, you can start making memories. Start by visiting KOA.com to review A Beginner's Guide to Camping.
4. **Plan a Picnic:** Many cities and towns have parks that have plenty of shaded areas that you can just take a blanket and your picnic basket, all you have to do is pick a spot. Most parks also have a playground area, basketball courts, skateboard areas, and maybe even a pickleball court. Best of all it is FREE!
5. **Plan a Day of Kite Flying:** No matter your age, we all love flying a kite. You can even make your own kite. So, on that rainy stay-inside-day use it to plan for a day of kite flying by making your own kite. It's pretty easy to make your own kite from things around your at home, like a garbage bag, sticks and string. Get creative and add a creative design; color is inspiring.
6. **Visit Famous Museums Virtually:** Who wouldn't love to go to France for the summer? A virtual tour of the Louvre is as close as it gets for most of us. There is a neat Louvre Kids section that features a series of animated videos about the artwork in the museum like Venus de Milo. There are also videos from professional storytellers.

But if France isn't your thing, there are other free museum summer activities for kids:

- Take a NASA virtual tour at the Glenn Research Center.
  - Space loving kids can also take a virtual tours of the Hubble Telescope.
  - Smithsonian National Museum of Natural History has virtual tours of permanent, current, and even past exhibits.
  - The Google Arts and Culture channel offers numerous games that can be turned into summer activities. Kids can download and color famous masterpieces and even solve jigsaw puzzles.
  - MetKids is a very cool interactive website that allows kids to hop in a time machine to medieval or modern times, explore geography, and tackle big ideas like mythology, creatures, and fashion.
7. **Online Virtual Summer Camp:** Microsoft has some ideas for activities to keep the kids entertained. Check out their guide for some virtual activities.
  8. **Free Summer Movies at Kanopy Kids:** There are some libraries, colleges, and universities let you stream ad-free through Kanopy. You just need a library card to gain access to watch on your phone, television, or tablet. Kanopy Kids also has a storytime division, television series, science/math videos, and of course movies.

Of course, there are many other fun activities you can enjoy and make memories with your family and friends.

- Set up an obstacle course
- Visit a fire station
- Do a scavenger hunt
- Visit a local farm
- Make a DIY craft day
- Plan a backyard movie night and invite the neighbors/friends (don't forget the popcorn)
- Have a hula hoop contest with music
- You can always have a good old fashioned water fight in the back yard and other water activities
- Get those totes of Legos out, see who can design something thinking outside the box
- See who can get the most creative at making a paper airplane - have a contest to see whose flies the farthest
- YouTube Karaoke is always a fun time especially when player can't carry a tune (take a video while you are at it)
- Save those cardboard boxes and build a cardboard box castle (don't forget to paint it)
- Go on a bike ride stopping along the way for a special treat





*Strengthening families. Strengthening communities.*

“Empowering and educating people to improve their financial, physical, social, career, and community well being.”



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## SUGAR COOKIE FRUIT PIZZA

One 16.5oz. Roll of sugar cookie dough

### CREAM CHEESE LAYER

One 8oz. cream cheese at room temperature

1/2 tsp vanilla extract

1/2 cup of granulated sugar

1/4 tsp lemon juice

### FRUIT

You can use any of your favorite fruits that are in season but here is what is recommended:

2 cups sliced fresh strawberries rinsed and completely dry

1 cup blueberries rinsed and completely dry

2 kiwi peeled and sliced

### INSTRUCTIONS

Press cookie dough into a 12-inch round pizza pan, as evenly as possible and bake at 350 degrees for 11-14 minutes. Or until the crust is lightly brown on the edges.

In a medium mixing bowl combine cream cheese, sugar, vanilla, and lemon juice. Blend until smooth then spread on the top of the cooled crust.

Add your selection of fruits in a pretty pattern to the top, get creative! Cut and serve.

**NOTE: REFRIGERATE UNTIL BEING SERVED.** Also, cover any leftover fruit pizza and store in the refrigerator.

If you want to use a shortcut you can opt to use canned cream cheese icing instead of making the cream cheese layer.



*From our home to yours...*

