

## FOR IMMEDIATE RELEASE

Contact: Brian Miller at 502.429.6000  
502.376.8776 cell  
or [brian@hbal.com](mailto:brian@hbal.com)

# HOMEOWNERSHIP IS THE KEY TO THE AMERICAN DREAM

## *June Proclaimed National Homeownership Month*

LOUISVILLE, KY, June 1, 2008----- June is National Homeownership Month and with the housing market being a major focus of daily media reports, the importance of homeownership is a common discussion at both business lunches and dinner tables across Metro Louisville. Home equity accounts for more than half of the total net wealth of the typical home owning family. In many cases, homeownership is the primary source of a household's net worth and is the fundamental first step toward accumulating personal wealth.

Local housing experts support the idea that homeownership is the cornerstone of family security, stability and prosperity. Simply put, owning a home is still the American Dream. As a vital part of both the national and local economies, it strengthens the nation's communities, encourages civic responsibility and provides a solid foundation from which people can work to support their families, enhance their communities and achieve their personal goals. Lisa Stephenson, executive vice president of the Greater Louisville Association of Realtors, recently commented on the role that owning a home plays, "In addition to tangible financial benefits, homeownership brings substantial social benefits for families, communities, and the country as a whole," Stephenson said. She referenced a report by the National Association of Realtors that states that homeownership has positive effects on social stability, educational achievement, civic participation, health and health care and crime and domestic violence rates.

### **Nearly 30 Percent of Louisville Homeowners are Mortgage-Free**

Homeownership is already taken seriously by many Louisvillians, according to a study conducted by University of Louisville economist Paul Coomes. He recently reported that Louisville has less exposure to debt than most comparison metros. According to Coomes' data, 29.1 percent of homeowners in Louisville own their home without a mortgage. While housing markets in many other parts of the country fluctuate in highs and lows, the market in Greater Louisville has traditionally been stable. "That reflects the amount of pride people have here locally in owning a home," commented Home Builders Association of Louisville (HBAL) President Rocky Pusateri.

### **Louisville Homes Hold Their Value**

In April, Jefferson County Property Valuation Administrator Tony Lindauer's office reported that home values in Greater Louisville actually rose 4 percent in 2007, during a time when many

other markets went down. According to Adam Hall, president of the Mortgage Bankers Association of Louisville, property owners in Jefferson County can be confident in their investment. "Even though a great deal of the United States is seeing a housing decline, we have a resilient market without extremes in yearly value appreciation," he said. According to Hall, Louisville normally experiences a steady 2-5 percent yearly increase in value. Markets in Florida, Las Vegas, California, New York, Michigan, Ohio, Indiana and Arizona have experienced double digit appreciation, until recently. However, while those markets have experienced drastic drops in value, the local market has held its own. "The Louisville market is currently in far better shape than the majority of the country because we do not have extreme shifts in home prices," he added.

According to Hall, the climate for buying a home is very favorable if consumers have their financial houses in order. "If you manage your finances well and you're prepared for homeownership, then there are a lot of financing options out there for you," Hall said. He explained that there has been a change in the mindset of the lending industry in regards to qualifying for loans, but that there are still many strong programs that offer appealing rates and terms for buyers. "Interest rates are the lowest we've seen in the last two years, " he said.

### **\$7,500 Tax Incentive Could Put Many Louisvillians in New Homes**

Just recently many members of the Home Builders Association of Louisville (HBAL) went to Washington D.C., to meet with national lawmakers to discuss the importance of the local housing industry. A proposed temporary \$7,500 tax credit for first-time homebuyers is included in a stimulus package that was recently passed by the House of Representatives. A different version is being discussed in the Senate. Currently, the House and the Senate are negotiating the tax credit provision, along with other provisions included in their respective bills. If the final, compromise package is passed and signed by President George Bush, first-time homebuyers can hold the key to helping jump-start the national economy. Local housing experts say that would inevitably open up many doors for people who have been homeowners for a while and are ready to buy or build the home of their dreams. "First-time homebuyers will certainly benefit from the tax credit, but it will also help people who want to sell their homes," local developer Bob Marrett, CMB Development, said. "When there's activity at the lowest level, it has a trickle up effect," he added.

For most people, a home provides not only a place to live, but it also serves as a sound investment. HBAL offers prospective homeowners a local resource for finding out more information on how to achieve their American Dream. With the association's newly updated website, ([www.hbal.com](http://www.hbal.com)), homebuyers can search for new homes built by Registered Builders, and research products, services and people who can help meet their homeownership needs. For more information, visit [www.hbal.com](http://www.hbal.com).

###

Note to Media: HBAL members include many local housing experts who can offer additional facts about the local market. Contact Brian Miller at HBAL at 429-6000 for names of some professionals who specialize in building and selling new homes in Greater Louisville.