

# *the* FIELD GUIDE *to the* BENEFITS *of* HOME OWNERSHIP



NATIONAL  
ASSOCIATION *of*  
REALTORS®

Being a home owner is more than just having a roof over your head. Home ownership instills feelings of comfort, security, stability and pride.

However, in addition to these important benefits are substantial social benefits for families, communities and the country as a whole. A few of these benefits are:

1. Higher Academic Achievement
2. More Cohesive Communities
3. Better Connected Families
4. Improved Health & Safety
5. Stronger Economy

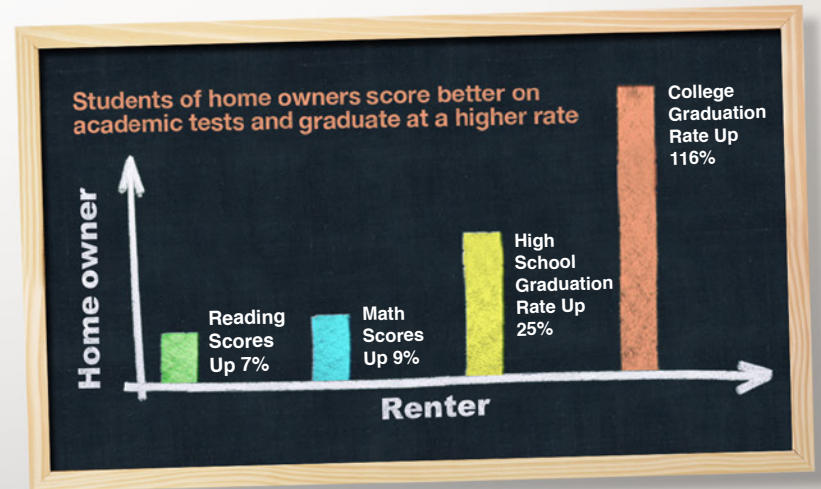
## 1. Higher Academic Achievement

One of the most important social benefits of home ownership is how it affects children and their academic achievement.

Several studies show that there is direct correlation between home ownership and educational achievement. Time and time again, it has been proven that home owners are more involved in their children's lives, especially when it comes to schooling.<sup>1</sup> Better social outcomes arise as parents

provide a more supportive environment for their children.<sup>2</sup>

Another benefit is that home owners tend to move less often than renters. This stability adds to a child's success in school. A study by the New York Federal Reserve Bank found that "though home ownership raises educational outcomes for children, neighborhood stability further enhances the positive outcome."<sup>3</sup>



1. "Measuring the Benefits of Home owning: Effects on Children", Green, Richard K. and Michelle J. White 1997 2. "The Impact of Home ownership on Child Outcomes", *Harvin*, Donald R., Toby L. Parcel and R. Jean Haurin 2001 3. "Effects of Homeownership on Children: The Role of Neighborhood Characteristics and Family Income" FRBNY Economic Policy Review. Harkness, J. and S. Newman 2003.

## 2. More Cohesive Communities

Home owners tend to stay in their homes longer than renters. They also spend more money to improve their home and are more engaged in enhancing their community.

Simply put, home owners care more and take more action. Which leads to nicer neighborhoods, stronger communities and more overall involvement in civic duties.

28% more  
likely to repair or  
improve their home

28% more  
likely to vote

11% more  
likely to know who  
represents them  
in congress

12% more  
likely to maintain  
a garden outside  
their home

10% more  
likely to report they  
have worked to solve  
local problems

Live 4 Times  
longer in a community

9% more  
likely to know who  
their school-board  
representative is

All statistics from research compiled by the Cincinnati office of the Neighborhood Reinvestment Corporation, April 2003

## 3. Better Connected Families

Along with being more involved in their communities, home owners are more active and connected to their own families. Volunteering at schools, coaching athletic teams, becoming a scout or troop leader are just some of the types of activities home owners are active in. Throw in simple things like family game night and your home becomes the perfect setting for a more-connected, happier family.

Home ownership builds stronger families. Compared to renters, **home owners are:**

less likely to  
have alcohol and  
substance-abuse  
problems

16%  
more likely  
to belong to  
parent-teacher  
organizations,  
book clubs,  
etc.

1.3  
times more  
likely to read  
newspapers

10%  
more likely  
to attend  
church

59%  
more likely to own  
a home within 10  
years of moving  
from parents  
household

All statistics from research compiled by the Cincinnati office of the Neighborhood Reinvestment Corporation, April 2003

## 4. Improved Health & Safety

Home owners are happier and healthier than non-owners. In fact, one study found that people who recently became home owners reported higher life satisfaction, higher self esteem, and higher perceived control over their lives.



In addition to being more satisfied with their own personal situation than renters, home owners also enjoy better physical and psychological health.

Home owners have a financial stake in the value of their home. Therefore, owners have more incentive to deter crime by forming and implementing voluntary crime prevention programs. Home ownership also contributes to stable communities, and stable neighborhoods contribute to reduced crime rates.



## 5. Stronger Economy

Being a home owner also has a positive economic impact in your neighborhood, your town, your city and even on a national level. That's because home ownership creates jobs: remodeling, landscaping, lawn and pool service, furniture and appliances, home improvement, real estate services. The list goes on and on. In fact, each home purchase generates as much as \$60,000 of economic activity in the local and surrounding area.



Rohe, W. and R. Stegman. 1994. "The Effects of Homeownership on Self Esteem, Perceived Control, and Life Satisfaction of Low Income People," Journal of the American Planning Association, 60(2), pp. 173-84. Rossi, P. and E. Weber. 1996. "The Social Benefits of Homeownership: Empirical Evidence from National Surveys," Housing Policy Debate, 7, pp. 1-15.