



# INTS FOR HOMEOWNERS

## Managing Your Assets

(NAPSA)—When it comes to managing finances, surprise expenses such as repairing a deck, supplementing college tuition, or installing a new hot water heater can cause homeowners to struggle to find the funds, or make a payment decision they won't later regret.

However, a homeowner may already be living in an important resource that can provide borrowing options and potentially help save on taxes.

Homeowners can turn to the equity in their homes to fund unexpected expenses or consolidate personal debt, to fund home renovations or to pay for college tuition for their children.

A home equity loan or line of credit that leverages the asset buyers have established in their home can make additional resources available, provide tax benefits, and offer peace of mind in a financial crisis.

According to the Census Bureau, in 2000, more people—69.8 million householders, or 66.2 percent—owned their homes. This indicates an increase from 64.2 percent in 1990 and is the highest percentage of homeowners since the Census began counting homeownership in 1890. While more homeowners are becoming familiar with managing their homes as assets, many still haven't talked to their bankers or mortgage consultants to examine their home asset management options.

"Home equity is a powerful tool that is an untapped economic resource for many of our country's homeowners," said Doreen Woo Ho, president of Wells Fargo's National Home Equity Group.

Home equity loans are distinct from other consumer-lending options since only homeowners are eligible to borrow.

Since the majority of information required is collected during the mortgage application process, a home equity loan or line of credit doesn't require the same amount of paperwork.

Unlike many consumer loans, interest accrued on a home equity

What's the Return on Remodeling Investments?	
ROI	Improvement
88%	<b>Minor Kitchen Remodel</b>
84%	<b>Two-story Addition</b>
82%	<b>Bathroom Remodel</b>
82%	<b>Bathroom Addition</b>
76%	<b>Family Room Addition</b>
75%	<b>Exterior Paint</b>
72%	<b>Master Suite</b>
69%	<b>Basement Refinish</b>
60%	<b>Sunroom</b>
60%	<b>Re-roof</b>

U.S. average return on investment (ROI) in 2000. Based on resale value within one year of project completion. Source: Remodeling Magazine. (T)

**When managed properly, home equity debt can improve a homeowner's financial condition.**

account is often tax deductible. Home equity loans may be obtained with no or marginal closing costs.

"Incorporating home equity into the personal portfolio and managing that asset is a smart and responsible choice for many homeowners," added Woo Ho.

Property values continue to grow throughout the country despite an uncertain economic climate and many lenders are making the process of getting a loan as simple as possible. Many financial services companies offer free financial tools to help choose a term and payment plan.

One popular Web site, [www.wellsfargo.com](http://www.wellsfargo.com), helps visitors learn more about home equity loans and lines of credit. Personal bankers and mortgage consultants can also provide important information about borrowing options.

Potential home equity borrowers should consult their financial advisor to fully gain perspective of what the benefits of a home equity account can be.