

Thinking of buying a home or Renting a duplex?

You've heard the old adage that renting vs. owning is like throwing your money away or that renting a duplex spells more freedom. But it is not always true. In fact, depending on your situation, a rental apartment in the right community can be a very smart move. Here are some things to consider:

1. **Independence.** If you are the kind of person who takes vacations or who travels a lot you won't have to worry about getting a friend to mow your lawn while you are away. In other words, renting an apartment spells freedom.



Ritchie Renter

"Hey, let's go camping this weekend!"



Henry Homeowner

"I can't. I have to mow the grass."

2. **Easy living:** Apartments for rent cover maintenance and repairs. No back-breaking work around the house and no lost weekends working on a leaky roof, fixing the shed, shoveling snow, etc. Instead, apartment buildings have 24-hour maintenance staff to take care of these things for you.



Ritchie Renter

"Since we both got a bonus, let's take a vacation."



Henry Homeowner

"Can't, I have to buy a new hot water heater."

3. **Cost:** Renting an apartment means no property taxes, mortgage insurance, maintenance costs. No big down payments, or title search, real estate, building inspection or legal fees. And no borrowing costs where the first years of ownership most of the payment is applied to the interest only.
4. **Loss prevention:** Real estate properties are not guaranteed to keep increasing in value all the time. As shown in 2008-2009 they can depreciate in value - with catastrophic consequences like foreclosures.
5. **Flexibility:** Renting means you can leave whenever your lease expires. There's no need to sell your home first while nervously watching the housing market and interest rates.
6. **Budget planning:** One monthly rent check usually covers everything. But if you own or rent a house, condo, or duplex several separate bills and fees are standard practice and you have no control over changing interest rates, condo fees, or property taxes. On the other hand, while you have no say over annual rent increases at least they are controlled and you can budget for them.
7. **Minimum Risk:** Falling behind in your rent due to job loss or financial hardship is certainly a serious matter. However, the risk of eviction from your rental apartment pales in comparison to defaulting on your mortgage where the consequences can be disastrous. Foreclosure means loss of both your home and all the equity invested in it. In addition, there are social services programs and options in place to assist people who fall into rental arrears. The same cannot be said for banks.

Whether renting an apartment or buying a house/condo or renting a house/duplex is the best solution for you will depend on your personal circumstances. But as you can see there are many situations in which renting an apartment makes great, good sense!