

Should I buy or rent?



This chart will provide a comparison of things to consider with buying and renting.

Buying:

Renting:

Upfront costs <ul style="list-style-type: none"> • 5-10% down. (5% for first time home buyers) • Closing costs (land transfer tax, legal fees, etc.) • Home inspection fees • Total: \$7000+ 	Upfront costs <ul style="list-style-type: none"> • First and last months rent • Possible security deposit • Total: \$1000 +
Carrying costs <ul style="list-style-type: none"> • Mortgage Payments • Property taxes • Utility bills • Home owners insurance • Services (phone/cable/internet) • Consider fluctuating mortgage rates 	Carrying costs <ul style="list-style-type: none"> • Rent • Possible utility bills • Renters insurance • Services (phone/cable/internet) • Consider rental increases year by year
Maintenance <ul style="list-style-type: none"> • Ongoing upkeep and repairs – a home maintenance plan should be considered to plan and save for large priced items like roof or furnace replacement and weeping tiles • Note: Condos have regular monthly condo fees intended to cover such costs, but larger or surprise repairs may still require a significant payment to the condo association 	Maintenance <ul style="list-style-type: none"> • You are responsible to keep your rental clean and tidy • The landlord will typically pay for regular maintenance and repairs to your unit and common areas • Some landlords require persistent contact or even legal intervention to complete needed repairs • If you or your visitors cause damage, you may still be responsible
Longevity <ul style="list-style-type: none"> • Stability and security – you decide if you want to move • Selling can be stressful and complicated • Consider buying only if you believe you will want to live in your home for a long time 	Longevity <ul style="list-style-type: none"> • A landlord can ask you to move out for certain reasons under the Residential Tenancies Act (I.e. Landlord wants to move into the unit) • Renting offers flexibility and ease to move when you desire with typically 60 days notice (after a lease has expired)

Buying:

Renting:

Control	Control
<ul style="list-style-type: none">• Freedom to renovate, decorate and modify your home as you wish• Home improvement can increase your investment in your home	<ul style="list-style-type: none">• You will need to obtain permission from a landlord to paint or remodel• In some instances, your landlord may be responsible to cover the costs of accessibility needs
Investment	Investment
<ul style="list-style-type: none">• As you pay down your mortgage, your home equity will grow• You may be able to rent a room in your home or a secondary suite for potential income	<ul style="list-style-type: none">• Lower upfront costs, but no equity building• Depending on your budget and monthly carrying costs, you may have room for savings