

1. Should You Buy or Rent?

Is home ownership right for you?

Ask yourself these questions...

- Do you enjoy moving often?
- Do you prefer using your savings for such things as vacations, retirement or starting your own business?
- Do you enjoy not having to worry about regular maintenance and repairs?

If you answered yes to any of these questions, you may not be ready to own a home yet. While you probably have a lot of good reasons for wanting to buy a home, you also have to consider your reasons for not wanting to.

Remember that buying a home is one of the biggest emotional and financial decisions you'll ever make, so prepare yourself to make a knowledgeable decision.

Although buying a home almost always seems like a great idea, it is important to understand what homeownership involves. Of course, being a homeowner is something to be proud of but it also means having to invest money, time and energy and take on added responsibilities. So, before you decide to buy a home, make sure you're ready.

When most of us consider becoming homeowners, we immediately think of how wonderful it will be. It is true that there are a lot of good reasons for wanting to buy a home.

Here are some of the main advantages of owning a home:

- **Financial Security.** If housing prices rise, your home can provide you with some financial security due to capital appreciation.
- **Flexibility.** You can decorate or renovate your home to meet your own family's personal tastes and needs.
- **Stability.** Having a place of your own.

Although it is nice to think about the positive aspects of owning a home, it is important to consider the downsides as well. Here are some of the main disadvantages of owning a home:

- **Financial Stress.** Coming up with the down payment, meeting regular mortgage payments and other ongoing costs will tie up a lot of your cash, and can put considerable stress on your finances.
- **Maintenance.** Keeping your home in good shape requires time and money.
- **Higher Costs.** You may pay more each month for housing than you did as a renter. There are also extra costs for maintenance and property taxes.
- **More Responsibility.** You alone are responsible for payments, repairs and maintenance.