

# 7 Reasons to Rent Instead of Buy a Home



A ripped up kitchen homeowners will have to pay for.

One of the main aspects of the American Dream is becoming a homeowner...isn't it? This might not necessarily be the case anymore.

For many Americans, there seems to be a declining interest in owning a home. The decline in home buying goes hand in hand with increasing percentages of millennials that consider buying a home unfeasible due to financial inability.

There are a lot of downsides to buying property instead of simply renting. The millennial generation isn't missing out on much by choosing to rent. For those who have the ability to

buy a home, you might want to think twice before you do. You may be able to have the garden of your dreams if you decide to purchase your own home, but there are other factors to consider.

Here are seven reasons why you might want to consider renting instead of buying a home—or at least putting off [a home purchase](#) for a few more years.

### **1. No Property Taxes**

If you own your own home, you will need to pay taxes on that property, and depending on your state and county, they can be pretty expensive.

### **2. Lower Utility Costs**

Homes are usually bigger than rental apartments, which means the utility costs per month can be significantly higher than those for a rented space. It's costly to heat up a full home, as they typically have more rooms and large open spaces. Rental properties tend to have more compact floor plans, making them way more affordable to heat.

### **3. No Maintenance or Repair Expenses**

If you are renter, your landlord is responsible for all the maintenance costs that come up in your apartment or house. This includes repairs and necessary improvements. The landlord would be responsible for things like plumbing issues, roof leaks, and appliance breakdowns. If you own a home, all these labor issues and expenses come straight out of your pocket.

### **4. More Freedom**

Plenty of people would prefer not to be nailed down to any one geographical location. When you purchase a home, you don't have a lot of flexibility or freedom when it comes to where you want to live. You can't just pick up your stuff and go. If you are a renter, you can have a change of scenery when you

want to, and you won't struggle to find a place to stay when you do move.

### **5. No Down Payment**

There aren't up-front costs with renting like there is with home buying. Sure, renters usually need to pay a security deposit that may be equal to one month's rent, but when you are buying a home you usually need to put down about 20% for a mortgage. That is a very large chunk of cash!

### **6. Lower Insurance Costs**

The average cost for homeowner's insurance is somewhere between \$30 and \$80 a month, while the average for renter's insurance is only \$10 to \$20 per month. When you add that up to a year's worth of savings, it's a pretty penny.

### **7. Decreasing Value**

Property value is not a stable asset. The value of homes, condos, and apartments go up and down unpredictably—which can affect property owners substantially. The possibility of depreciating property value doesn't have as big of an effect on renters.

Sadly, one cost that both homebuyers and renters still have to cover is the expense of moving. If you are struggling to cover the truck rental, boxes, and moving help, then you should consider [a title loan](#) or some other form of temporary funding.

No matter whether you decide to buy or rent, put the time and effort into making sure you are making the decision that is best for your particular financial situation.

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