

BUYING VS. RENTING

Deciding whether to buy or rent an apartment in Ottawa is not a decision that should be made lightly but should rather receive a great deal of consideration. You should weigh all the pros and cons, and closely examine your finances, your lifestyle, and what particular features you might possibly desire to have in your home. The following is meant to help guide you in your decision-making process by introducing you to options, advantages, and considerations for the Ottawa homeowner.

Personalizing Your New Home

Since a long-term financial commitment is required in order to purchase an Ottawa home, you must take great care in making your decision. There are many reasons one may choose to move to Ottawa—new employment, proximity to family, a fondness for the area—but one must understand that buying property is much more stressful and time-consuming than renting. One cannot simply choose a home and move into it immediately. One has to deal with brokers, possibly co-op or condo boards, closings, etc, and one will also most likely not want to move into the new home as is. One will want to personalize it, through decoration or modifications/renovations, some of the most popular being remodeling the bathroom and upgrading the kitchen appliances.

Creating Equity

Being the owner of a Condominium in Ottawa doesn't only bring with it the benefit of having an abode that is actually yours but also some important financial advantages, as well. The first and most simple is that no money is being wasted on rent. Instead, most money spent is going towards the long-term goal of owning the property, if a mortgage is required. At least, however, one is contributing towards something he or she will one day own, rather than rent, which one can pay for years and years and still have no more claim to the place than the day he or she moved in. Even if one later decides to move, he can rent the place out himself and earn some nice income that way. Also, when the real estate market is doing one, one can find oneself finally selling their property for significantly more money than they originally purchased it for. This option, of course, isn't a guarantee but is certainly a nice incentive.

Advantages to Renting

If you don't have enough money to buy a home, or don't want to deal with the time or stress of the process, renting is cheaper and more relaxing. The financial and legal commitments are simpler, and the process is swifter. For newcomers to the city, renting also offers one the opportunity to acclimate to the environment and decide if it is indeed somewhere where they would like to own a home. Further, they can become better acquainted to neighborhoods this way and learn where would be the best place for them to set up a more permanent home base in the future, if desired.

Additionally, renting is much cheaper, what with no down payments, attorneys, mortgages, closing costs, and insurance, to worry about. Condos and co-ops also require monthly repair and maintenance

fees, as well as property-related taxes, all of which can add up to just as much, if not more, money a month than some rental buildings require of their tenants. Renters only need to worry about utilities and a potential brokerage fee.

Down Sides to Renting

Renting builds no equity, so no matter how long you live in the apartment—6 months or 25 years—you will receive none if/when you move. The rent money also isn't tax deductible, both of which are fairly significant downsides. The buildings are also usually maintained and built with far lower quality than co-ops or condos.

In addition to this, renters have no control over many factors regarding their living conditions. If an apartment's stairs are bad or doesn't have an elevator or has a broken one, or has flawed bathrooms and kitchens, there is little a renter can do. Sometimes, a landlord will allow a renter to make customizations to the apartment but often the costs are so prohibitively expensive, a renter will decide not to spend that much on something they don't own. Things can be very unpleasant if one has an unpleasant landlord. When one enters into a rental arrangement it is, therefore, always good advice for someone to consider a landlord carefully and have a meeting with him or her, to get a sense of how helpful or not he might be.