

Transcript Season 1: Episode 17 – Renting Versus Buying

You are on your own and faced with one of your biggest decisions-should you rent or buy housing? This podcast will provide you with some facts to consider.

Podcast Opener:

Adulting – Thinking of all the things adults have to do can be intimidating. Maybe you are realizing just how much you don't know about living on your own.

If this sounds familiar, join us today to learn the skills you need and take some of the stress out of being an adult.

This is Grown Up U, an adulting podcast to help you navigate the twists and turns of adult life. Listen and get life skills you didn't learn in school.

Podcast Script:

Young Adult: It's so confusing. Should I rent or buy a place to live? I've always thought it was wiser to buy a home instead of paying rent that you lose when you move. How do I decide which is better-renting or buying housing?

Adult: Good question and it depends on many factors.

Young Adult (with a groan): That's what I was afraid of! But I need to decide quickly. Can you give me the short version?

Adult: I'll try. The answer to the rent vs. buying a home debate depends on many factors. Here are five questions to ask when considering renting vs. buying:

1. What can you afford? is the most important. There are initial expenses in home buying that you don't have in renting such as a down payment, closing costs, and more.
2. How long do you plan to stay in the home? (One rule of thumb: If it's less than five years, you might want to rent.)
3. Do you want stability or flexibility?
4. Can you afford to be responsible for home repairs/maintenance?
5. What are your financial, career and family goals (e.g., do you plan to relocate for work? Go back to school? Expand your family?)

If you're moving to an unfamiliar city, have an unstable job situation or don't know what neighborhood will feel like home, renting for a while can be a great option.

Young Adult: That's a lot to think about.

Adult: While no one can see into the future, it's important to evaluate your current life situation and how much it's likely to change in the immediate future, as well. There are also online

calculators you can use to determine expenses in financing a home mortgage so you can compare to renting.

Young Adult: You've given me a lot to think about. I need to consider if I can afford to buy a home and maintain it, how long I will live in the area, and what my financial and career goals are before I make my final decision whether to rent or buy housing.

Adult: For more information on managing your personal finances, contact your local extension office using the link at <https://www.uaex.uada.edu/counties/default.aspx>

Podcast Closer:

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