



Owning vs. Renting

Renting vs Buying The Ultimate Financial Decision



Renting is a normal part of everyday life. But it isn't seen by many as a long-term solution.

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Here is a summary of an article published in Today's Homeowner prepared by Rachel Newcomb.

Renting vs Buying: The Ultimate Financial Decision

Considering the pros and cons of renting or buying a home? Today's Homeowner's latest study by Rachel Newcomb sheds light on the matter!

Key Findings:

1 Long-term renting is cheaper than homeownership in 46 out of 97 cities.

2 69% of renters believe renting is their best financial move.

3 Renters spend \$1.26M over 30 years; homeowners spend \$1.30M.

4 Only 9 cities out of 97 have mortgage payments cheaper than rent.

Where Is It Cheaper to Rent Than Buy?

California dominates, with 7 cities in the top 10.

Arlington, Austin, and Madison are non-California cities on the list.

Where Is It Cheaper To Buy Than Rent?

Top 10 cities include diverse locations like NYC, Detroit, and Nashville.

Detroit's down payment as low as \$5,950!

Many Towns and Cities in Florida meet this criteria as well.

Where Are Rents Cheaper Than Mortgages?

Rental prices lower than mortgage payments in 88 out of 96 major cities.

California again dominates the list.

Financial Concerns: A Barrier to Buying

78.3% aspire to own, but 69.4% think renting is better.

Barriers: high down payments, rising interest rates, and lack of affordable options.

Pros and Cons of Renting

Cost savings: Renters avoid home repair expenses (average \$90,000 over 30 years).

Concerns: Bad neighbors (49%), eviction (48%), and inability to build equity (46%).

📌 Final Takeaways:

It depends on your market and financial situation.

In some areas, owners come out on top despite higher interest rates.

Consider both short- and long-term costs before making a decision.

Meet the Experts:

Dr. Connel Fullenkamp, Duke University.

Dr. Balbinder Singh Gill, Stevens Institute of Technology.

Methodology:

Analyzed data from Redfin and Zillow in 97 cities.

Rental and homeownership costs calculated over 30 years.

Surveyed 1,000 renters to understand opinions and barriers.

Full article by Today's Homeowner: [Link to Article -<https://todayshomeowner.com/home-finance/guides/renting-vs-owning/>]

I know it is a difficult decision to make especially with all the factors and variables that you need to consider. If you are thinking however about your future and are struggling with this question let's talk. It's a good time to start preparing yourself to fully understand what it means to make that Big Step.

