HOME FINANCING, SIMPLIFIED

# Buy vs. Rent: A Better Comparison

The decision is about more than whether a mortgage payment is higher or lower than rent.

## Compare the monthly reality

- For buying, include taxes, insurance, mortgage insurance, HOA dues, and a reasonable maintenance budget.
- For renting, include expected rent increases, renter insurance, deposits, and the flexibility value of being able to move more easily.

## Think about your timeline

- Buying generally makes more sense when the home and payment fit your budget and you expect to stay long enough to justify transaction costs.
- Renting can be the better choice when your job, location, family plans, or finances are likely to change soon.

## Do not ignore liquidity

- Homeownership can build equity, but cash invested in a home is less liquid than money sitting in savings.
- Keep an emergency reserve instead of using every available dollar for the purchase.

**There is no universal break-even answer.**

Compare your actual rent, target home price, taxes, insurance, down payment, and expected time in the home.

Run your numbers | kindredmortgage.com