

Things to think about when choosing to lease

You don't have a lot of up-front cash. Clearly, renting doesn't call for a large down payment, so there is less of an initial investment. Most apartments call for a deposit-usually one or two months' rent and a security deposit-before you move in. That amount is often much less than a down payment on a house.

You're looking for simple choices to change living arrangements. Renting an apartment, home, or condo lets you move when you need to. While many rental properties have long-term leases, being a renter means you don't have to wait until your house sells to move. If you have fulfilled the terms of your agreement, you can simply pack up and go.

You're not a handy person. Often, there is far less work keeping up an apartment than your own home. The rental company or owner will take care of most of the indoor and outdoor work such as landscaping, removing snow, asphalt repaving, rewiring, and plumbing. Homeowners have to pay for, and often do, their own indoor and outdoor repairs and upgrades.

You want financial freedom. The ongoing financial responsibility for a rental property is often less than owning a home. If not in terms of monthly rent vs. mortgage, you'll pay less because homeowners are in charge of property taxes and costs of upkeep. Condos often have association fees. If you choose not to put major amounts of money into your home, you can make other investments, or perhaps use the money to pay off large loans (such as college or car loans).

You'd like some time to get money matters settled. The smart time to buy a house is when your credit is in good shape and you have a steady income. If you've accumulated a lot of credit card debt, or have missed payments on loans (which negatively affects your credit rating), give yourself some time to clean up your records. If you're starting a new job, wait until you feel secure about your position and know how much money is coming in each month.