

in today's market- should you buy a condo or a house

Categories : [Condos](#), [Houses](#)

The fact is – there’s really no hard and fast answer to the question. Everyone has different needs, different priorities, and different long-term goals. At the same time, doing a prudent assessment will surely help to make better decisions. Indeed, making a pros and cons list will certainly allow for checking and double checking that the best decision was made under the conditions.

Today, making a choice between buying a condo or a house is a common predicament - especially for first time homebuyers. And needless to say, there are many considerations, and many options to weigh. The thing is, for some, investment potential is key, while for others lifestyle needs are the more important priority. But at the end of the day - house or condo – it’s a home.

Considering the resale value of the property

For those looking at the long-term investment potential, detached houses continue to be in the highest demand, particularly in Vancouver and Toronto. This has to do with the supply/demand dynamics, which translate into high [appreciation value](#) over the long-term.

Unlike houses, there are situations where condo values actually decline. Some experts contend that condo values “peak” in the first decade after being built. Condominium buildings age, and often lose their luster compared to the sparkling new buildings that arise.

Avoiding a purchase that’s way over budget

For those who decide to invest all of their money into a property, it could result in being “house poor”. When a house purchase is at the top end of the budget (or sometimes over budget), it may be time to consider a more affordable and manageable deal like a condo.

Under these circumstances, it may be prudent to purchase a condominium (as a starter home) in order to keep on budget. Then, after a period of time, a house purchase could be in order. In most cases, this approach allows for a more manageable financial commitment.

Considering regular, ongoing carrying costs

Real estate is more than just an up-front, one-time investment. House or condo, there are added carrying costs, like monthly utilities. But in a home, there are also capital expenses, like roofing repairs, insulation improvements, furnace upgrades, and window retrofits.

With a condominium, carrying costs are more straightforward. Condo fees are often all-inclusive,

although some buildings have better packages than others. This is where doing homework can ensure that carrying costs are accounted for, and suit the personal budget.

Determining the annual costs of insurance

Home and property insurance is an absolute must for a condo or house. In fact, it's not likely that a mortgage can be secured without insurance. Whatever the property, insurance coverage should be well researched, and properly examined – there's too much at stake.

Insurance for a house is always more expensive, primarily because the entire property (inside and out) has to be insured. In a condominium, the condo fees will usually cover any damage to the building itself, while resident insurance will cover only the contents.

Financial considerations or lifestyle requisites, an educated purchaser will always make better decisions. And with real estate property, it almost always means savings money in the long term.