

# To Buy or Rent – A Guide for Graduates

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So far in the way of living arrangements, you have experienced the works.

From the family home you grew up in, to living with a bunch of strangers in halls or off of campus, and now you are about to come face to face with a whole new chapter of living. Not as a student, but as a fully-fledged graduate.

You may have already started to consider your options and how to go about making your first steps, but it always pays off to receive some extra guidance when it comes to making the next big decision in your life. Everybody's situations are different too. So in this guide, we hope to provide a thorough breakdown for those considering solely buying, renting and for those stuck in the middle

## Sensible Saving

As you approach the end of your academia, it is important to consider your spending and budgeting. Most students are blessed with a weighty student loan. If you are one of the lucky ones, allocate a small part of your time to sitting down and budgeting your remaining loan to enable yourself to put aside some of it for when you finish. This is important to do, buying or renting, as you will require a deposit for wherever you decide to move to and being strapped at the beginning of your move isn't a position you want to be in. However, if your student loan wasn't substantial, you can still be thrifty with your spending. It wouldn't be unfair to sit out on a few student nights out so you can save up what you would have spent that night and also, make sure you budget your food shop by shopping at cheaper supermarkets to save extra pennies. The whole point of saving now is to make your money go as far as possible and to spend what you really need to live off. By getting into the habit of careful budgeting and regular saving now you will give yourself the best chance of staying on track and building up a sizeable savings for when you come to make your decision.

As well, getting a job, either on or off campus will help you to gain some extra money together and help boost your credit rating which will give you a head-start when it comes to applying for a mortgage, as you will need payslip evidence of a regular income to qualify for mortgage financing if you believe buying is a more suitable option for you.

## The House Hunt

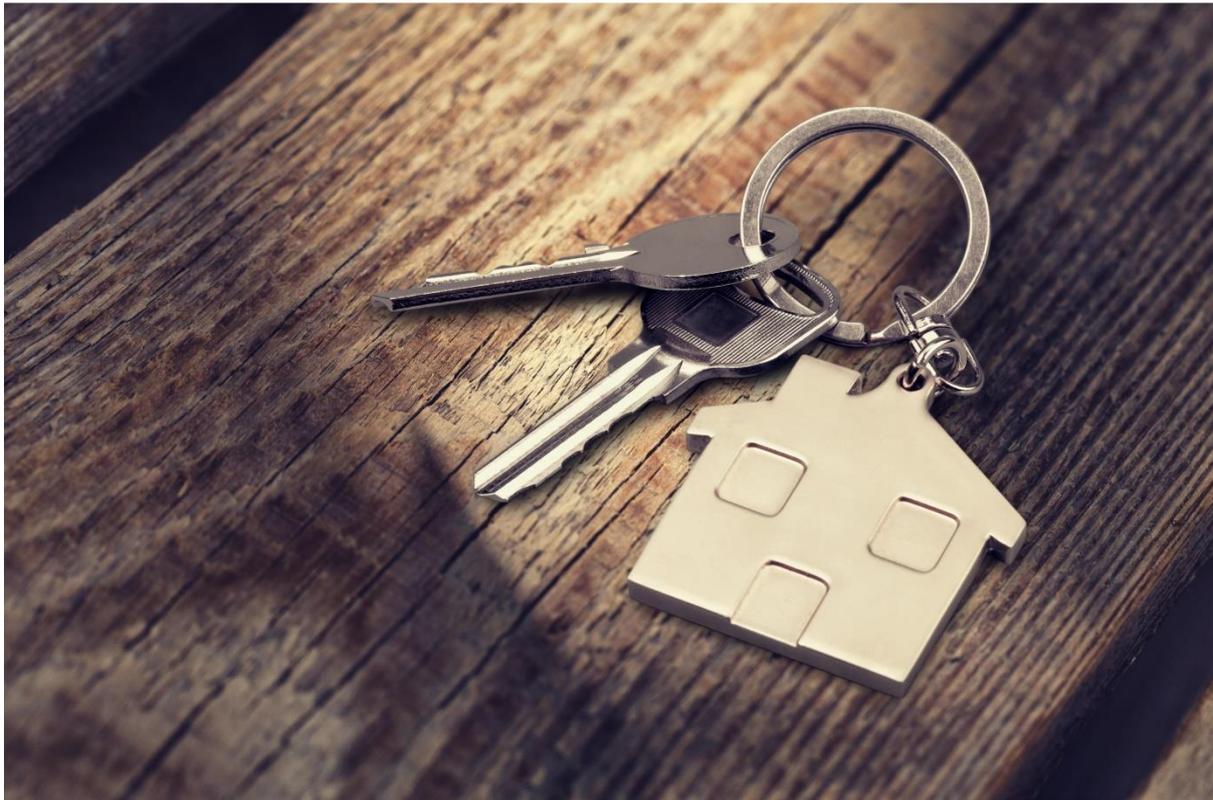
Buying a house is a massive commitment but an amazing opportunity to get started on the property ladder sooner rather than later if you are in the position to do so. If you are seriously considering this option make sure to do your research. It is all too easy to fall in love with properties at first glance, but don't rush into anything without seriously weighing up some other choices. Assess the market and the area you're interested in. If you don't have a car, are there shops and supermarkets nearby? Are you near to a train or bus station? These are aspects which need weighing up so the property matches your lifestyle.

If you're looking to rent instead, the same applies in the way of suitability to your wants and requirements. If you use the gym, is there one within walking distance? Is the neighbourhood what you want? Additionally, with renting you will need to make sure that the property is within your budget, so you can afford to pay additional bills which you may incur such as gas and electricity, water and TV licence.

By Holly Barry

Being a graduate, you won't have the years of experience that your parents have in buying and selling property, so you need to [research the local property prices](#) to spot any market fluctuations and to get the best possible deal when making an offer on a property.

Remember, if an advert seems too good to be true, make sure to do some homework. Identify where any hidden costs may catch you out down the line. If you decide to buy, you may need to deal with damp or structural repairs. If this is the case, you can make a low offer that takes into account the costs of putting things right. Alternatively, if a careful and objective appraisal of a property reveals significant issues, it might be best to walk away on that occasion, to continue searching elsewhere.



## Bountiful Borrowing

As a studious graduate, you are probably aware of how difficult it is to save money for property which continues to rise at an ever growing rate. But, where there is a will, there is a way. The government offer a variety of schemes to help you on the pathway to affording your very own home. It will pay off to work out [the best loans, ISAs and deals](#) available to you so that you know exactly the ins and outs of what you are being offered and how it will work in the long-run. One of the most popular and successful options is the government's Help to Buy ISA. What this entails is that if you put money into this ISA once a month at a maximum of £200, the Government will boost your savings by 25%. So, for every £200 you save, you will also receive a government bonus of £50. The maximum government bonus you can receive is £3,000 if you have savings of £12,000 or more.

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Additionally, you could look into the Help to Buy loan, which provides a loan of up to 20% of the purchase price of a new-build home. This loan is also interest-free for five years.

Many parents are also on hand to chip in with their children's first home, but only consider this option if you are sure that your parents can do this without putting themselves into any financial difficulty.

Do make sure to research all of the peripheral costs of buying a property, such as stamp duty and valuation fees, as well as understanding how [the process of buying a property](#) works.

If you decide to rent for a while, give yourself this time to build up a deposit to buy in the future. Both options need careful planning and organisation so find out what deposit you'll need, what your monthly repayments will be, and what the other costs of owning a property are likely to be. Additionally, make sure you are [clued up about renting](#) your chosen property and the area you are looking at, so you don't end up living somewhere you're unhappy with.

So, to conclude, whether you end up buying or renting, make sure that your [moving checklist](#) is planned down to a 'T', so that your move from Uni to adulthood goes as smoothly possible.