



Build, Buy, or Rent?

some things to consider before moving house

Setting up house is one of those milestones in life that most of us look forward to, especially when it is for the first time. Having lived with others, usually family who have taken care of the day-to-day running of the home, little experience has been gained of responsibilities relating to the actual ownership or tenancy. The paying of bills, repairs, maintenance and insurance was always someone else's concern. These issues, it is assumed, can be dealt with at a later date, if necessary. For now, the chance of independence has arrived and is all that matters. Those who have already been down this path know it isn't that simple. In fact, anyone changing their residence, whether it be for the first or fifth time, can discover unexpected eventualities or circumstances that make the move less desirable than was imagined. Whether building, buying, or renting, there are a number of important aspects to be considered before jumping in.

First, I'd like to mention last month's Focus article on Feng Shui. If you know nothing about this ancient Chinese philosophy, it may seem totally irrelevant, but I can assure you it is anything but. Being dedicated to buildings and the rooms within them, its teachings offer suggestions on improvements to a dwelling that will help achieve a better lifestyle, plus what to look for when house-hunting. I can recommend considering the principles of Feng Shui, but if you choose to simply go your own way, that's fine - you'll probably be thinking along the same lines anyway without realising it. As for the following Western-influenced contribution, I hope you may find something of use.

Money does matter, and when it comes to residences, having insufficient at the right time can cause problems far beyond the pocket and the bank account. Renting a house or apartment seems easy enough, always assuming there is a vacancy in a convenient area. If not, this could mean extra expense and time travelling to and from work and schools, not to mention the shops - when the cheaper supermarkets are miles away, increased fuel costs can easily wipe out any savings on specials. This comes later, of course. Initially, there is usually a bond to pay, plus a certain amount of rent in advance. There may also be a levy not included in the rent for "certain services". This extra may only be small, but will still impact on the budget. Don't forget to go through the place with a fine-tooth comb, detailing existing faults - shonky landlords have been known to withhold refund of the bond as compensation, even though the vacating tenant was not responsible. If the residence has a garden, the tenant will most likely be expected to tend it. That means both time and money for watering, fertiliser, mowing etcetera. Personal experience confirms how costly this can be. Although insurance of the building is the owner's responsibility, it is advisable to read the policy fine-print to make sure aspects such as accidental breakages and damage are covered. If not, these will have to be made good and provision for cover ought to be included in the contents insurance which will need to be taken out. By adding up these "incidentals" it is easy to see why many first-timers end up broke and back with Mum and Dad. Those who do manage to weather the storm can settle down and work towards buying a home of their own.

Generally, this next step in the property game is an exciting prospect. Unlike renting, which was often just a case of finding an affordable place in a hurry, apartment- or house-hunting is a joy to be savoured. Even those who have no intention of buying derive immense pleasure from viewing homes for sale, maybe looking for ideas or simply to give their wilting dreams a boost - a bit like those brochures they keep sending for of exotic holidays they are never likely to take. The serious ones are, perhaps, even more susceptible to this kind of euphoria because they know that anything in their price-range could well become their new home; and that heady feeling can divert attention from some of the less-obvious financial pitfalls. It must be remembered that, once the deal is signed and sealed, there's no going back. Faults not evident until after the new owner

has moved in will be at their expense and, unlike renting, home-ownership is normally long-term. A decision to sell up even a year down the track can result in huge losses.

Before a home goes on the market, the seller will attempt to make it appealing. An astute buyer will be on the lookout for band-aid repairs, those bodgie jobs that seem okay at a glance, but aren't going to last much longer than the signing of the contract. Fresh paint is okay as long as the colour scheme isn't hideous, and provided it wasn't splashed on to hide signs of a roof-leak or creeping mould. Termites are a problem in some countries and the extensive damage they can cause isn't necessarily visible: a few coats of paint may be all that's left of woodwork, both decorative and structural. Depending on the season when the buyer visits the house, some disadvantages may not be apparent. Is the heater efficient, and the air-conditioner; and do they actually work? A poorly-drained garden that floods, or gutters and down-pipes that are inefficient for whatever reason won't be obvious until the rains come; and a place that is an oven in summer might seem pleasantly comfortable during spring. A back-yard pool is a real selling-point, and if the kids see it they will pester the living daylights out of their parents to buy - they will, naturally, help with the cleaning (yeah, right!), but won't mention the cost of maintenance because the olds have got that covered, haven't they? There are too many other money-eaters to list here, but any problem that will require attention after the sale goes through is going to cost the new owner to fix. Properties advertised as a "renovator's dream" or in need of some TLC definitely fall into this category. One answer is to have the property inspected by professionals. That, I'm afraid, is money spent merely for an appraisal, cash that isn't refundable whether the place is bought or not; and it won't necessarily bring all the defects to light; but without it, the risk could prove too great in the long run.

Assuming the structural faults aren't going to cost an arm and a leg to put right, one might think everything is plain-sailing and it's just a matter of moving in. The bulk of the heavy lifting will be taken care of by a removalist who has been hired for the job. Would that be for an agreed figure, or at an hourly rate? The job could take longer than estimated, perhaps because no-one thought to take a few measurements, or hadn't considered access difficulties. I once spent twenty minutes squashed behind a wardrobe in a service elevator, going up and down until it eventually agreed to stop level with the floor where it was to be off-loaded! While on the subject of furniture, a seller may reduce the amount of it to give the illusion of space. Some will actually strip the house of the originals and hire just enough to make it look flash and appealing. Display homes are a classic example of this ploy, the agent often setting up bedrooms motel-style; but people don't live out of suitcases in their own home, certainly not the kids. The open-plan main living areas might look spacious until the lounge suite and dining table from the old place go in, if they will fit at all. Then, buying new furniture could be the only answer. Need I say more? Everyone acquires possessions along the way, and most prefer to take these with them - they are what make someone else's house their home. If a house for sale can't be found that's big enough to take all of the goods and chattels comfortably, the next best bet is to start from scratch and build.

There are numerous ways to go about it. Obviously, land has to be purchased and hopefully there will be some available in the desired location. Land for sale as part of a new development usually includes the essential utilities - water, power, phone and sewerage. At least, these are on hand, but the cost of connection is likely to be born by the owner. In some instances, land-and-house packages can be the way to go. In both cases, local building regulations should have been considered by the developer or agent, but plans still need the approval of the relevant authority for which there could be a charge. Inquiries regarding planning-permission and restrictions are best made before the land is bought. Prospective builders who prefer a tree-change may be looking at re-zoned farming land, or a hill-side abode might sound appealing. Although the price of this land could be much cheaper than the smaller blocks in suburbia, the site-costs alone can be a killer. If truck-access is limited or non-existent, a suitable roadway would have to be constructed before other work can commence. If there is rock below the top-soil it will probably have to be blasted to lay the foundations. A sand-pad could be needed to raise the house because the area is prone to flooding. Perhaps there is no deep-sewerage, so a septic pit and leech-drain will have to be dug in. Assuming all of these are not an issue and have been covered, construction can begin.

In our experience it won't take too long, weather permitting. A word of warning - building sites are

like a charity supermarket for dishonest home-renovators. Materials can disappear overnight – bricks, sand, window frames, timber – but the builders should have all this insured. Just check that changes made to the original plans are included in their policy: we switched from an electric cooker to gas and discovered, just in time, that we had to arrange our own insurance against loss. During construction, frequent visits to the site are advisable, just to ensure the builders are following the plans and aren't cutting corners.

Soon enough, the proud owners will be able to take up residence in their brand new home. Presumably fencing has been considered, the driveway laid and the cost of establishing gardens accounted for. If fly- and/or security-screens are necessary, were they installed during the construction process? How about carpets and light fittings? Then there are window treatments. When there's no spare cash left, newspaper could be the only affordable curtains.

This last item may seem petty and irrelevant but, in truth, privacy is the main reason we prefer a home of our own. Whether to build, buy or rent is a matter of personal choice. We've tried all three and have eventually gone back to renting. It suits our current lifestyle and is less of a strain on the budget because the landlord takes care of the repairs and maintenance. There was, however, immense satisfaction when we achieved the other two and we spent many happy years in both. We'd like to think it will be that way for you. So, good luck with the house-hunting, and if you think well before you take the plunge, you'll only need the newspaper for wrapping the china.

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