

Home Ownership – The Four Key Types to Consider

You will probably look at and consider many homes before you make an offer on one. But even before you begin house hunting, it helps to have in mind the type of home you want and the features that are most important to you. Here are the four key types of home ownership to consider:

THE TYPES OF HOME OWNERSHIP

- **Single family:** This is the most popular type of home ownership. As the owner of a single-family dwelling, you are totally responsible for paying the mortgage, property taxes, and any other carrying expenses, including all maintenance and repair costs.
- **Condominium:** As the owner of a condominium, you own your living quarters (apartment, town home, or other unit) in the same way that a single-family homeowner does. You also own a share of the common space, such as gardens, parking areas, and community facilities (e.g., pool, recreation hall, tennis court). You pay a monthly maintenance fee for the common expenses. The owners' association, which you belong to, makes decisions about how the condo is run.
- **Co-operative:** As the owner of a co-op, you buy a share or a number of shares in the corporation that owns and manages the building your apartment is in and the land it is on. If you took out a mortgage for the apartment, you are responsible for paying it off. You also pay a monthly maintenance fee for your part of co-op expenses, repairs, and taxes. You must, however, be approved by the co-op board before you can purchase.
- **Multi-family:** This type of home has separate living quarters for two or more families to rent. The owner may be able to use rent from the other tenants to cover his or her own housing costs. These homes are often restricted to certain areas by zoning laws.

Condominiums and co-ops may be less expensive than single-family homes, although association fees can drive up the cost. They may also be safer and provide a variety of services and extra features that single-family homeowners often can't afford. However, you must obey the by-laws and rules of the association. Also, these dwellings generally do not appreciate in real estate value as quickly as single-family homes do.