



Similarly, rental rates can increase from year to year. The principal amount of your housing loan reduces with each payment you make. In addition, as the housing market grows, the value of your house appreciates, particularly if it is in a good location.

Although buying a house sounds great, it may not be affordable for everyone. These are some commitments that may come with the purchase of a house:

- Owning a house may take up a lot of your time as you have to handle repairs and the general upkeep of the house
- Small improvements you make to your house can add up to your expenses. If you rent, maintenance expenses are usually covered by the landlord
- You are, in fact, tied down to your house, unlike a tenant who has the freedom to move about
- If you are not happy with your new neighbourhood, you may find yourself 'stuck' until the value of your house appreciates before you can sell it
- Many things can happen unexpectedly to bring down the value of your house. For instance, the area may be prone to floods or the access to your house may be affected by a new housing development

