



Thinking of Buying Your College Student a Property?

Use this checklist to help determine if buying a property for your college student is a good investment:

- Research the college town, current property values and rental rates.
- Do a breakeven analysis to assess the annual cost of having your student live on campus.
- Determine a budget and list out additional costs (i.e., mortgage, HOA fees, insurance, taxes).
- Estimate how long your student will be living at the property (e.g., 3-5 years).
- Weigh the pros and cons of purchasing a condo or apartment vs. a single family home.
- Consider inherent risks: What happens to the property if your student transfers schools or moves back home.
- Discuss opportunities to alleviate monthly costs (e.g., mortgage) such as rental roommate income or renting the property out during summer breaks.
- Be financially prepared for the typical "college renter" consequences (e.g., roommate damage).
- Explore the cost of hiring a property manager to help take care of the home.
- Crunch the numbers and consult with your financial advisor and real estate agent.

Total cost of RENTING four years

Dorm rent _____

Apartment rent/utilities _____

TOTAL _____

Total cost of OWNING four years

Down payment _____

Utilities/maintenance _____

Mortgage payments _____

SUBTOTAL _____

(-) Potential appreciation _____

(-) Rental income (summer/roommate) _____

TOTAL _____