



The Costs of Renting

Your monthly housing payment is only one of the housing-related costs you should factor in when deciding where to live. You should also budget for up-front and recurring costs.

UPFRONT COSTS

Application fee

Landlords may charge this fee to cover the administrative costs associated with verifying your income, employment, financial and rental history, and references. If you apply to multiple properties, these fees can add up quickly.

Security deposit

Most landlords will require about one month's rent up front, which is usually refundable, as long as you pay your rent on time and in full and do not damage the property.

Tip: Your credit score can impact the cost of your security deposit. Check your score before applying for an apartment so you know what to expect.

Pet deposit or fee

If you have a pet, you may have to pay a pet deposit. Additionally, some landlords may charge a monthly fee for you to keep your pet.

Move-in fee

This non-refundable fee typically covers turnover costs such as changing the locks or updating building directories.

Moving costs

Whether you're moving across town or across the country, the cost of transporting your belongings to a new home can add up quickly.

RECURRING COSTS

Utilities

Utilities include electricity, gas, water, cable and internet. Some (or all) of your utilities may be included in your rent.

Tip: Renting an energy-efficient apartment can help you save a significant amount of money on your monthly utilities.

Renters insurance

For a relatively low monthly cost, you can insure all the belongings in your home against damages caused by circumstances beyond your control. Some landlords require you to have renters insurance, but even if it's not required, renters insurance is still a good idea.

Parking fee

Depending on where you live, the cost of a monthly parking spot can significantly increase your monthly housing cost.

Amenities fee

Some rental communities charge for amenities such as an on-site gym or pool. You'll be charged whether you use these amenities or not.

Yard maintenance

If you rent a single-family home or townhome, you may be responsible for the upkeep of the yard.

Rent increases

Your rent will likely increase over time with inflation.

Researching these costs ahead of time can help you understand how much you'll need to initially spend just to get into an apartment and how much you should budget for monthly housing expenses.



See the full step-by-step guide to renting a home at My Home by Freddie Mac®.

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