

Is Co-Buying a Home with Friends or Extended Family the Way of the Future?

Story by Lauren Phillips • 9mo • 5-5-2025 4 min read

With prices on the rise, people are exploring new paths to homeownership—and co-buying is increasingly popular. But what do you need to know before you

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It's no secret that the cost of buying a home is higher than ever. Home prices have been climbing pretty steadily for the last 100 years or so, sure, but lately it seems like affordable homes are nearly impossible to find, and owning a house is increasingly out of reach for many people. People are still eager to have their own piece of real estate, though, and when there's a will there's a way: Rather than overextend their budgets, they're opting to buy property with extended family or even friends in a trend known as co-buying.

Co-buying is exactly what it sounds like: purchasing a home with someone (or multiple someones) who are outside your immediate family. Buying a home with your spouse or partner has long been considered the default, but now more and more people are combining their resources with non-partners in order to afford a home.

Whether they're shopping around with friends, buying with the expectation that older parents will move in, or working with siblings, prospective homebuyers are increasingly interested in co-buying, and for many people, it's one of few viable paths to homeownership. But does this nontraditional home-buying option come with any risks? If familial ties or marriage contracts offered some security to spouses purchasing property together, what assurances do co-buying friends have?

Ask an Agent: Is Co-Buying the Way of the Future?

I think it is in our area, because prices are so expensive. Our median house price is around \$550,000 and that probably doesn't even compare to some other places, other cities. But we're the state capital, so we have a lot of state jobs, and then we also have a lot of military jobs. Those jobs that are housed here in the Olympia area cannot pay for a \$550,000 house.

For the husband and wife or two partners who are trying to buy a home, I think it's also that they just cannot qualify, or can't afford it. So we have a parent or grandparents or aunts or somebody cosign with them.

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With COVID, when we were closed down and not supposed to leave the house, I think people started putting a lot more value in their home. They were like, "Well, if we can't ever go to a restaurant again, I want a really nice kitchen. And I want a really nice yard if we can't go to a playground." But one of the things we also saw was multigenerational living because of that fear: "What if something happens? I want my parents living with me," or "I want to take care of them," so we saw some more in-laws purchasing with their kids.

You have to consider, though, you're getting a 30-year mortgage, and how long are your parents going to be here? And if they're helping pay that mortgage, what happens when they aren't living with you anymore? That is just one thing I think about long-term.

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We don't see friends buying together as much. It's more common for an LLC that maybe multiple people are on to purchase a home, but we don't see it as much. I really think that the difficult thing is, if you were to need a new roof, are you really going to get all four of those people to coordinate? There's just so many dynamics. If somebody lost their job, who's going to pick up the slack so that their share of the payment is covered?

I think there are more challenging dynamics with that. And people's lives change so much. Let's say one person gets a job in another state, and the other three people still want to stay—I just think the dynamics are hard. There has to be an operation agreement outlining who's responsible for what.

This interview has been edited for length and clarity.

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