Some Perth Home Loan Application Basics to Consider by Crowin Smith

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The Australian mineral boom has been benefiting Perth for the longest time now. Western Australia has slowly become the home of those who sought better paying jobs in the west. Perthâ€™s mining sector and the industries related to it have provided jobs to many Australians, not to mention created a strong economy that continues to attract investors and workers. With more and more people coming to Western Australia, the need for rental properties has dramatically surged causing an increase in the prices of properties.

Before thinking about submitting a home loan application to buy a property in Perth, you should take note that the price of properties in neighboring capital cities is most likely the same. However, Perth is a little bit different because agents that manage the sale and purchase of real estate are required to act as legal representative of the property being sold. For those who have limited knowledge about mortgages, this law requirement will probably be a concern since they tend to rely on the agents they deal with. One way to get around this road block is to seek the help of a buyerâ€™s agent.

Property sales in Perth are done via the â€˜offer and acceptanceâ€™ document, which is basically include in the terms mentioned in the sale form. This can be modified to satisfy any special agreement that might stem from the negotiations between the propertyâ€™s owner and prospect buyer. Here is how it actually works. Once you make an offer to purchase any type of property in Perth, the law of Western Australia treats it as sign of commitment on the your part to purchase the property. The only thing that could stop the transaction is the owner does not satisfy any condition you have outlined in the offer and acceptance document.

You should also consider the cost of renting and buying a house in Perth. The question you need to answer is whether or not the cost of purchasing a property would outweigh the cost of renting in the long run. You need to first figure out the following:

- Duration of your residency and location in Perth

- Housing trends in your chosen area

- Difference between the mortgage repayment amount and the monthly rental price

Alternative home-buying options in Perth

If you want, you can purchase a house in Perth using an alternative method. The Rent-to-Own program allows buyers to rent and pay additional fees on top of their monthly rentals. The excess payments will be used as deposit, which will be completed upon an agreed upon period of time. This particular method of buying a home will be beneficial to those who have no means to seek a home loan via the traditional home loan application method as well as those who have no money to pay the deposit upfront.

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