

THE BENEFITS OF CO-OWNERSHIP.

You've matched with a mate, decided you're a great match.... now what?



1 Enter the market quicker at a fraction of the cost

2 Larger borrowing power

3 Increased buying options

4 Reduced cost of bills and maintenance

5 Increased social connection

6 Reduced carbon footprint

So why co-ownership and what are the benefits?

There are many key benefits to co-ownership which is resulting in a growing number of young Australian's turning to this option to enter the property market. These are as follows:

1 Enter the property market quicker at a fraction of the cost and time

By far the biggest benefit of co-ownership is the ability to enter the property ladder quicker due to requiring significantly less savings. By buying with another person, instead of requiring the full deposit, stamp duty and other costs associated with buying a property you only need half of this. With the current gap between yearly wages and housing prices, saving a 20% deposit alone can be extremely challenging and can take many years. By buying with another person, this will significantly reduce the amount you need to save and you will be able to enter the property market quicker. The quicker you enter the market, the earlier you can stop paying off someone else's mortgage and start paying off your own, have an asset you can leverage and stable housing.

2 Larger borrowing power

Next is your borrowing power. By partnering up with another person to co-own your combined income and assets allow for you to access a mortgage value far greater than what you could by yourself. With a greater borrowing power your housing options greatly increase.

3 Increased buying options

As we said above, co-ownership increases your borrowing power so you are able to afford a more expensive property. This will enable you to make less sacrifices in what you want to buy. Often first home buyers are pushed to the fringes of cities, into small apartments that may be a riskier investment or into houses that need a significant amount of work that you don't have the time or money to do. By increasing your borrowing amount, you can purchase a property in an area closer to your dream location, whether that is driven by it being a great investment suburb, a location near your social supports including family and friends or near to employment opportunities and infrastructure.

4 Reduced cost of bills and maintenance

Further to this, you will have someone to share both the initial costs including stamp duty, housing appraisal and set up costs but also the ongoing costs of owning home. This include council rates, body corporation fees, maintenance and bills. By co-owning these costs are split between two or more of you, greatly reducing the ongoing costs of owning a home on top of a mortgage.

5 Increased social connection

Another benefit that you might not have considered is an increase in social connection. By using Mortgage Mates we match you with like-minded individuals who share common aspirations and values. By co-owning a home together you may find someone you have strong social connection to and can share existing social networks with each other. Currently it is stated that 1 in 4 Australians experience loneliness, by purchasing and potentially living together, you are opening yourself up to new connections, opportunities and experiences.

6 Reduce carbon footprint

It is estimated that the Australian population will grow from 22 to 36 million by 2050, requiring 6.5 million more properties. By sharing a home with someone else we can greatly reduce our carbon footprint by sharing resources including powering one home instead of two and reducing the number of houses required.