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The Basics of Mortgage Loans for Dallas Residents by [Genny Stutesman](#)

Article published on April 3rd 2012 | [Mortgage](#)

After renting a house for years, you study the pros and cons of renting versus getting your own home. When you finally decide that it's time to buy your dream house, you check your current financial status. You find out you have enough cash in your savings account, and a good credit history. With everything in place, all systems go. But because you don't want to take out a huge part of your savings, you decide to buy your home through a mortgage loan instead.

A mortgage loan is a credit secured by a real property, like a house or a lot as evidenced by a mortgage note. The mortgage amount, payment terms and maturity period of the mortgage, and the interest rate on the loan, differs for every mortgage note. A mortgage involves periodic payments over a span of years, usually from 10 to 30. Unlike a lease or rental agreement, you will own the house once you have fully paid off your loan.

In a mortgage loan, the borrower is the mortgagor, and the lender is the mortgagee. If the mortgagor defaults on the loan, the mortgagee can foreclose the property by selling the house used as security. This follows a specific legal procedure, and may need a court order.

There are two types of mortgages. The fixed rate mortgage and the adjustable-rate mortgage, is also known as variable rate mortgage. In the fixed rate mortgage, the interest rate does not change so the periodic payments are also fixed over time. On the other hand, the interest rate in variable rate mortgage varies according to market factors.

There are different ways of repaying mortgage loans, and they depend on the local tax laws. The tax laws applicable to Dallas mortgage loans can be different from those applicable to mortgages in Houston. If you live in Dallas and want to take out a mortgage, you need to know the real estate industry regulations in the city.

When you decide to take out a Dallas home loan, make sure you know the available loan packages and prevailing interest rates. Interest rates vary quickly in a matter of months; and you definitely want to avoid taking out a loan with a high interest. It will be beneficial if you study or seek advice about the entire home financing and loan process and read its fine details to avoid legal problems.

The home loans Dallas homeowners can take out need not be too burdensome to anyone. You just have to discuss the details of home loans with mortgage specialists to make a well-informed decision. For information on where to get mortgages, read [homebuying.about.com](#).

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Article Keywords:

Dallas home loan, home loans Dallas, Dallas mortgage

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