

# Property market



**ASSIGN  
BUSTER**

PROPERTY MARKET Real estate business is a hugely profit making business. It is one of the booming businesses that have given fruitful results to those who invested to gain profits. A real estate business can give good results if the infrastructure of concerned city, town or village is good. Basic facilities like water, electricity, food and shelter should be sufficient. Real estate prices will increase when the land is in the center of the city, or in industrial areas, or in residential areas. Infrastructure of the city or town plays an important role because those are the basic amenities that an investor would look into, before buying the land. Lack of infrastructure and basic facilities would lead to downfall in prices of the land and investors will lose faith and retract the investment. This would be huge disaster for any businessman. Therefore before putting a land to sale check the basic amenities and infrastructure and the price of the land accordingly.

Apart from state owned properties commercial and residential properties are in boom these days. Resident localities are fast growing and becoming some of the costliest living areas. Commercial properties that fetch income are of many kinds. Commercial show rooms and establishment of corporate offices are touching the heights of the real estate business. Commercial show room owners are ready to pay any amount of money to get a place in the most commercially viable areas.

The reasons for the properties producing high income is leasing it out or renting the property for a specified period of time. The value of the commercial and office property keeps growing with the development of the city. With increasing number of tourists visiting the revenue increases.

Tourism also plays an important in increasing the price of the land.

As population of the country increases the cities start expanding and drag

the outskirts into city limits. Since outskirts will be a new place to establish, developers raise the property keeping in mind the space required for offices, commercial establishments, military units and staff quarters for employees to reside. Newly established property prices touch the skies means the prices are always soaring high allowing only rich and affluent people to purchase the property. These properties fair well when they are presented up again for resale.

The process of buying a property is regulated in UK and Europe. An offer should be made through selling agent once an investor secures the mortgage for the property. A contract will be framed once both the parties agree on the price. At this juncture investor has to deposit 10-30 percent that is mandatory. The deposit is not returned to the investor if pulls out from the contract. If the vendor pulls out he should pay twice the amount that was agreed upon as the deposit.

Residential apartments are the next highly remunerated properties after commercially viable properties. Establishments or buildings used for hospitals fetch good rental income since the income produced by these properties are so high that even residential properties are not comparable. Commercial properties and establishments have high income by virtue of its business purpose and similarly produce high rental income to the owner of the property. Towns like Tuscany and other near by towns rent out their farmhouses and apartments at a handsome of 25 to 30 Euros per day. This amount is just for one day and cost of renting a farm is somewhere around 500 Euros per month.

Reference

<https://assignbuster.com/property-market/>

" IPD launches property indices in Japan & Italy". IPD. Retrieved 14 April 2006 . 2007.