

General factors which affect the buyers and sellers in property market

For Real Estate investment in foreign countries, Dubai is a leading preference of people. Geographically, it takes merely six hours to reach Dubai from Germany. This trip would land you on one of the most progressive land of the world. The annual economic growth of Dubai is about 6%-8% with a budget surplus of close to 50%. Besides, the newest technologies and the brilliant infrastructure, with great architecture, make Dubai a leading Real Estate investment sector. Dubai can boost to be the biggest place in the world for this respect.

- Age

Like wine, which only gets better with time, properties in Dubai also appreciate with time. The demand for older properties exceeds that of the newer ones. At many places, there is potentially an excess of supply over demand, and even where such is not the case, the supply is of a nature which allows the purchasers, and also those who do so for letting out, to be in a significantly stronger position.

- Rate of interest

Increase in the rates of interest has hugely affected the new buyers and those who are not yet fully into the Real Estate market, but for the experienced players in this respect, the increasing interest rates has not been of a big impact. In respect to the money that is borrowed, the higher rates of interest reduce the profit only by a small margin.

- Stock market

The volatility, which is a characteristic feature of the stock market, also has a bearing on the Real Estate market. The confidence of the investor in Real Estate can be ruined due to the huge swings that the market always experiences. For those who are professionally into the Real Estate business, they may understand that in the long run, equilibrium will prevail and if they have done their bit of research before buying the property, they will not lose a huge amount due to negative stock market trends in the short run. When the stock market fell the last time, many people decided to buy properties in view of the lower prices in the short term, and this volatility is also a reason why many people prefer to keep a second house as an investment rather than a holiday home. Here, it must again be mentioned that the price is also based on how old the property is. The older it is, the better price can a seller bargain for, as the prices only get better with time.

- Confidence

The decision of people to buy or sell properties is largely dependent on the investor's confidence. A trend has emerged over time that people buy a new house before selling an older one, and this trend is here to stay. However, of late some fixed prices have emerged and this poses a threat for sellers to sell at a price they want to. This can reverse the trend mentioned above. The coming couple of months are crucial as it will bring about a clear picture as to what lies in the future.

About the Author

William King is the director of [Dubai Property Rentals & Dubai Rents Properties](#) , [Karachi Real Estate & Property Pakistan Properties](#) , [Dubai Estate Agents & Brokers Properties](#) and [Dubai Property Developments & UAE & Dubai Real Estate Projects](#) . He has 18 years of experience in the marketing and trading industries and has been helping retailers and startups with their product sourcing, promotion, marketing and supply chain requirements.

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