

REAL ESTATE MARKETING - A BIRD'S EYE VIEW

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Real estate is a property and pride for many in India. Acquiring land and having a house is a dream or basic requirement for each and every people. The need for housing is higher in India compared to that of many developing countries. A study on real estate and its financial and marketing aspects in relation to buyers and sellers acquires higher significance at present.

Objective of the Study

The prime objective of the study is to identify the important points to be considered before going in for real estate buying or selling.

Buying a Property

People have to consider various points before buying a property in all the places. The major points to be considered are given as follows:

- a) Location
- b) Planning before buying
- c) Size of property
- d) Dealing with agent - seller
- e) Extra items and reaching details
- f) Property boundaries
- g) Local resources
- h) Registration process
- i) Ownership details
- j) Others
- k) Location

It is said over and over. There are three things people need to know about buying real estate; 1) location, 2) location, and 3) location! But what does that mean? In urban areas, this can mean

- safe neighborhoods,
- traffic flows,
- proximity to shopping malls,
- school quality,
- night life attractions,
- proximity to jobs or
- Natural features such as the ocean or a mountain range.
- quality of roads,

- access to property,
- productivity of the area soil types,
- utility access, such as water and electricity,
- Satellite internet and television access.

Points to be Considered

When people buy rural property, people are buying a part of a rural community, drive around the property people are interested in and see what the neighborhood looks like. Do the neighbors show pride of ownership? Much like a home in the city, good fences make good neighbors. Also, the stronger the rural neighborhood, the better chance people have for real estate appreciation and less chance for devaluation. The farther away property is located from home, the more important it will be to develop own personal network of contacts for that area.

Local Rural lender may know the area as well as programs that may benefit people and property. They have names of people that provide services such as a dozer operator, custom farming service and farm managers, if needed. They are also very in tune with the local market and can give people some indication of what land is bringing in a specific area. One of the first things people need to do is stop by and meet each of adjoining land owners and the nearest homesteads. They may end up being the person that pulls stuck vehicle out of the ditch on a rainy day or loaning people that trusty wrench.

There are very few instances that allow people to buy property and then stop right there. People may have to run electricity and rural water to property. Then there are the normal operating costs such as insurance, gravel for entryway, and monthly utility bills. After normal operating costs, the investments needed after the purchase will depend largely on the type of property people purchase and what reasons were for buying. The more involved people are with, the more additional investments people may need to make. Then people will get into smaller items that can still add up. These may include a chainsaw, air pumps and an additional set of tools to leave on-site. Of course once people buy all of this equipment, people will need to build a shed to store everything. And after that people may decide to build a water structure or pond to fish in or just to have a quiet picnic when people go "out to the country". Before long people will start thinking about a small cabin or maybe even a second home. Some say that the cheapest part of owning rural property is the initial purchase.

If people are interested in purchasing real estate, the wrong way to go about it is to simply find a plot or house that people like, and then make an offer. There are several often-forgotten steps that people should take before this point. Many people often overlook the land survey step of buying land. The best time to have a land survey undertaken is before people complete the process of purchasing the land.

Land surveyors can determine the boundary measurements to make sure that the plot of land people think people are buying is actually what people are buying. The land surveyor can tell people whether the trees, building, fences, sidewalks, driveways, and other features of the land actually lie on the property, and also whether anyone else's buildings or other features encroach onto the property people wish to buy.

They will also be familiar with building regulations, wetland regulations, and zoning. Land surveys are particularly helpful when purchasing a piece of real estate that people hope to eventually build on, as they can catch potential problems with this plan before people purchase the land. If people are purchasing mountainous land, land that may

be considered wetlands, or land in other areas that may be difficult to build on, a land surveyor can help people evaluate the possibilities for building upon the land. If people plan to develop the land or subdivide it, a survey can help people determine whether this is possible or even legal.

Planning Permission

There are three basic scenarios when buying land insofar as planning permission is concerned:

- The land has no planning permission.
- It has outline planning permission (OPP).
- It has detailed or 'full' planning permission (DPP) for a building for which a set of plans has been submitted and approved.

Before proceeding to purchase land, it is vital to establish with the local authority that they will ultimately allow people permission to bring plans to fruition. Otherwise there is no purpose in buying it in the first place. This said, acquiring land with planning permission already granted doesn't necessarily guarantee that people will be able to build on it. There may be restrictive covenants attached which preclude people. This is an area lawyer should carefully check.

Buying land with an existing property standing on it provides an easier solution as it benefits from what is referred to as 'past precedent'. In such situations, it is usually easier to get full planning permission if either redeveloping an existing property or demolishing it and rebuilding a new one as per the original style or footprint - in the case of the latter, only of course if plans are reasonable and in keeping with the neighbourhood.

Dealing with planning officials

In all situations, it is vital to establish a good relationship with local council's planning office. Planning officers are generally fair people and if people can build a rapport with them and proposals are not too ostentatious, people are far more likely to receive a favourable response to any reasonable planning request.

The best way to garner support from planning office is to involve them in the process from the outset, holding early site meetings to discuss intentions on an informal basis and without cost to self. Planning officers usually offer constructive advice and suggestions, which will assist people in drawing up detailed plans that are far more likely to get approved at the first hurdle.

The legal process

The legal procedure for buying land is generally a lot less complicated than buying and selling property, and should always be conducted by a qualified solicitor specializing in land transactions. As land is a valuable commodity often quickly snapped up by other buyers, people should be looking for a lawyer who is energetic and enthusiastic to cause. Use the lawyer's knowledge and expertise to answer important questions relating to issues such as permitted use, boundaries, footpath or other public access/rights over the land issues, to satisfy that the purchase is a sound one.

Availing lawyer at an early stage with as much detail about the plot as possible is crucial. This could be in the form of site photographs and intended plans for its development. People can establish whether an aerial photo of the plot exists by visiting the site. The lawyer's function will essentially be to check that the land has 'clear title' - i.e. is

legitimately for sale - and to initiate searches to see if there is, or has been anything which could affect the stability of the land such as previous mining, flooding etc. They will also check the legal documentation relating to the size, scale and dimensions of the site to ensure that people are buying what is being sold.

Once lawyer is satisfied that all is in order and people are sure that people have, or will get the necessary approval for intended use, then it is usually safe to proceed to purchase. Obviously, if buying land at auction, one only has a limited amount of time to conduct the research and legal work and therefore buying land this way carries significantly more risk.

Conclusion

People buy land for a multitude of reasons. A growing number see it as an alternative investment to property - something that is certainly safer in the medium to long-term than plunging one's finances into shares or the volatility of the property market. Empty nesters, having built up sufficient equity in a family home that is perhaps now too big may look to acquire land for a bespoke self-build project constructed to their own specifications and lifestyle needs. Others buy land as a gift, maybe to assist their adult children realize the dream of building their own first home - while developers will always be interested in plots to redevelop into flats or houses for a quick profit. Whatever purpose the land is needed for and whoever buys it, the rule caveat emptor ('let the buyer beware') still applies. The key to successful land acquisition is thorough research to mitigate the risks.