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Most of the investors cherish the very idea of investing in below market value properties so as to gain an instant profit. However, property market can be a confusing place to invest in. This is because the worth of a given piece of property is quite subjective, holding different value for a buyer, a seller and a mortgage provider. Depending upon the available statistics and their own knowledge, all the parties involved will view a given property from different perspectives.

In case you have decided to invest in any of the below market value properties, you must consider a few related variables. The most important variable in this context is the manner in which the compilation of the market value price takes place. Simply put, one should find out the selling price of similar properties in that area.

If you come across a below market value deal which sounds too good to be true, you must make a careful analysis of the whole situation. This is because if at all the deal is so lucrative, the promoter would himself be involved with the same rather than trying to convince others to go for it. Thus, such a situation can be quite fishy as many of the promoters involved with below market value deals generally make money externally, through these very property deals. On the other hand, a well structured deal will give no room to the promoter to make a profit.

Finally, if your entire idea behind investing in a below market value deal is to liquidate it and gain profits for a fixed time span, you must have a well defined exit strategy in place. So, the right thing to do would be to go for a property which gives you such an option rather than to leave you hoping that you will get enough buyers eventually.

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