



**O N L I N E**

**L E A R N I N G**

# **THE REAL ESTATE MARKET AND INDUSTRY**

## **SGHH 1023**

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# Basic concepts

	<b>Market</b>	<b>Property/Real Estate Market</b>
Definition	A forum for buying and selling, that is, a means for bringing together buyer and seller.	A setting or environment in which real estate activities occur and that market participants are those persons who buy, sell, and otherwise participate in real estate transactions.
Location of market	Specific, identifiable location	Informal, decentralised location
What is being transacted?	Goods and services	Land (location), building (space), ownership, rights



# Characteristics of the real estate market

**stratified** **variety**  
**confidential**  
**imperfect** **complex**  
**localised**  
**inelastic**



# **Roles of real estate professionals in improving the efficiency of the real estate market**

## **1. Valuers**

**-provides market price information to the buyers and sellers**

## **2. Estate Agents**

**-an intermediary, information provider, and advisor, during the buying and selling, and renting process**



# Roles of real estate professionals in improving the efficiency of the real estate market

## 3. Auctioneers

- disseminate information about properties under auction

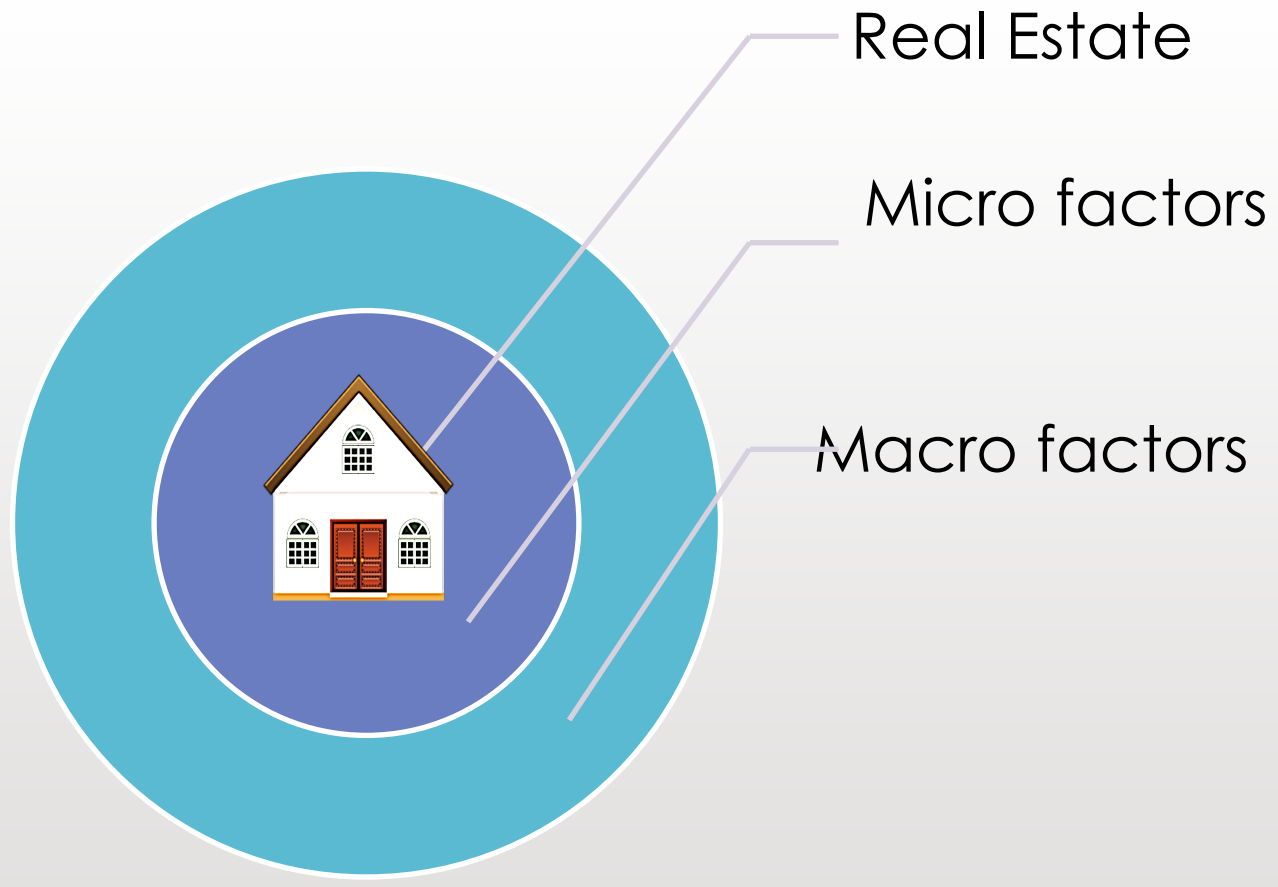


# Characteristics of real estate

**fixed** **durable**  
**dependent** **demand**  
**indestructible** **acts**  
**heterogeneous** **costly**  
**immobile**  
**interest** **rights**  
**scarce**



# Factors influencing the prices of real estate





# Conclusion

- The real estate market is an environment where real estate transactions occur involving various participants
- The real estate market is inefficient due to imperfect knowledge, imperfect competition, and involve high costs of dealing.
- Real estate professionals help overcome property market imperfections by increasing the knowledge and numbers of property market participants.