

## 7 Hacks to Finding Property Below Market Value

Unlike cars or gadgets, real estate appreciates over time. This is why investing in real estate is always a good move. However, some people hesitate to do so because it truly is expensive. Even the median home price in the U.S. in 2017 was \$200,000, as stated by CNBC. Since real estate appreciates value, expect that the median price is now higher. No matter how much a person wants to purchase a home for his family, the digits aren't easy to get. The good news is that there are what we call below market value properties. And this article will enlighten you of the ways to find these properties and get your best deal. If you are [starting a business in real estate](#), these strategies will also be essential for your [business plan](#). Before we proceed, let us first tackle what below market value property is.

### What is a Below Market Value Property?

The common range of prices that you often see for listings on the internet are the market prices of the property type. For example, there are 5 homes in the market that sell at \$200,000, \$250,000, \$300,000, \$350,000, \$400,000. If you can find a home that is below \$200,000, then that is considered as below market value property. This is the type of property that is being sold in the market below its common price.

### Ways to Get Below Market Value Property

From [networking tips](#) to using technology in searching for the best deal, here is a checklist of every strategy you need to get a below market value property.

#### Join Real Estate Auctions

In [real estate auction](#) websites, you don't have to visit the property in person. Many people auction their properties because they are in a rush. Sometimes you can also see foreclosed properties in these sites. Sellers sell their homes to the best bidder as soon as possible, and this is an advantage for you. You can bid for the best price below the market value. Expect that when you win the auction, you will have to prove your ability to pay for it. Additionally, no matter what condition the house is in, you will be responsible for the repairs. There will also be instances where you might be buying a house that is currently occupied. Before you can live in the house or do what you want with it, the occupants will have to undergo eviction at your own expense. It is right and just for you to be well-researched of the proceedings or laws before making a purchase on foreclosed properties as well.

## **Use Real Estate Websites**

[Real estate websites](#) have advanced search filters that allow you to choose a range of prices, location, and type of property. You can also choose properties that are for sale by the owners, or the foreclosed ones. However, sellers are more flexible compared to agents. In these websites, you will have a lot of options and be closer to your wanted value.

## **Use Social media**

The [social media](#) marketplace is very useful and convenient when it comes to looking for properties to buy. It will automatically suggest listings that are near you. You can easily connect with the seller by sending a direct message. Another way to utilize social media is by participating in Facebook groups and Instagram real estate pages. Anyone can easily advertise on these platforms. Thus, these give you a lot of options and land possible great deals.

## **Negotiate Effectively**

To [negotiate effectively](#), you have to choose the right broker for you. The right broker will educate you about the market and the area you are buying into. Once you know the market, you can easily find your best price that fits your [budget](#). Or you can smartly negotiate a below market price with your broker so he can find the right property for you. Ask the seller if the property has other offers. If none, then you can go farther with negotiations. Another way of negotiating is by using persuasion to your advantage. Sellers have a heart too. They would love to know that their homes will be in the hands of good people. Add a personal touch by expressing why you love the property. Or tell him of your dreams of raising a family in the house or restoring it.

## **Use Flaws to Your Advantage**

Go through the inspection process closely. Hire inspectors that will climb onto the roof, crawl into the attic to check water penetration and condensation, and examine the foundation of the house. Especially in risk zones, the inspectors should see to it that the walls aren't prone to leakages. If you see flaws, then it is rightful to ask for a lower price. Explain nicely how you will still be spending a lot on the renovation or restoration alone.

## **Befriend Real Estate Agents**

Getting friendly with real estate agents is an advantage for you because you will get ahead from other buyers. You will know about new properties before they are introduced in the market. Once the property is new in the market and you don't have competitors, your offer will be more likely considered. Having no competition also means that you can buy properties at a low market value.

## **Avoid Middlemen**

Middlemen may offer you a low value. However, expect that a portion of the price goes to them. This means that you can get the best deal if you look for the property without depending on them. You will also wonder why a property of a low price still goes through middlemen when it's advantageous for the owner to do the negotiation. There might be unseen structural problems that make a hidden reason for a very low price.

Whether you are aiming for your dream home or buying properties for your business, you can save a lot of money by looking at the properties with below market value. Without the strategies given above, you get no choice but to settle for the more expensive ones. Worse case is—you will have to go through more complicated ways to fund your purchase.