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In the modern day, there is plenty of property that you can get in the market. The choice of the best property for you to invest in can be quite a challenging task. To be well informed of the kind of property you have to invest in, it is important that you have a proper strategy or action in place. It is also important for you to consider the direction in which you need your investments to go. The two main types of properties that you can invest in are commercial and residential properties. The choice of these two variants is dependent on a number of factors. The main aspect is the final goal of the investment. There are people who are seeking capital appreciation and those who would settle for rental yield. When you decide to own such property it is important to have your goals set right.

Those who decide to go the commercial property direction invest in property like office units, shops, retail outlets, warehouses, and hardware among many other types of commercial property. The reason why many people choose the commercial properties is because they are relatively easy to maintain. To some extent I can agree with that. Players in the commercial sector understand the challenges faced in putting up these structures and therefore they assume much responsibility in terms of the smooth running of the business. The major task in the first place is just to ensure that tenants have secured their places. All that comes after that is for the clients to maintain their own premises. No one should come around to do cleaning but repairs might be sought for. This also reduces the overheads on the investor company of having to monitor the operations of all their tenants.

The tenants on the other hand in the case of commercial property would exercise much caution when using the apartment for business. Probably there might be penalties for property damages. Most people would exercise restraint just to ensure that their stay at that location is as peaceful as possible. The main issue on the side of the tenant is to keep their business running. Intelligent tenants would keep this in mind by ensuring that the premises and other property they have rented is kept as secure as possible. The owner of the property would not have to keep visiting the premises to assess the situation. If at all there are any faults in a certain building, the tenants there can take care of the issue and then all the cash used is deducted from the payable rent. This is the beauty of commercial property.

The people who search for commercial property ideally need to set up their own businesses and run them locally. There are however some issues with such arrangements. If you need proper financing for such property from a financial institution, you may have to provide proof of your credit score. If at all the credit score is low, you may be forced to lower your rental rates.

The other type of property is the residential property. In this case, owners experience lots of headache. This of course depends on the number of establishments that one owns. Many people shun investing in residential property mainly because of the fury of the tenants and the frequent complaints about the state of infrastructure in that building. These people fail to understand that the tenants actually represent the true value of that particular investment.

If you need to purchase residential property, it is quite easy to secure a loan. Basing on the location of the property and the value it holds, the bank may even offer you 100 percent in terms of loan margin. In fact residential properties are quite convenient to purchase. If you seek a loan from a bank with the intention of investing in residential property, you would have pay up a 10 percent deposit which will be refunded when the loan is finally disbursed. At times you may land some favorable deals in which you are not required to pay up any deposits. It is important to talk to your

financier first in order to assess the best alternatives that are available for people seeking to own residential property.

The major success factor with residential property is the location. If at all you are not located to a business center you might not get the required supply of tenants. It has been a misconception that all residential property gets the right supply of tenants. Residential property is suitable for investors seeking capital appreciation.

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