



NEAR EAST UNIVERSITY
GRADUATE SCHOOL OF SOCIAL SCIENCES
MARKETING MANAGEMENT PROGRAM

FACTORS AFFECTING INVESTORS' BUYING DECISION IN REAL ESTATE MARKET IN NORTHERN CYPRUS

GÜRKAN ARSLAN

MASTER'S THESIS

NICOSIA
2019

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MASTER'S THESIS

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NICOSIA
2019

ACCEPTANCE/APPROVAL

We as the jury members certify the '.....' prepared by the
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degree of Master / Phd

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DECLARATION

I Gürkan Arslan hereby declare that this dissertation entitled **Factors Affecting Investors' Buying Decision In Real Estate Market In Northern Cyprus** has been prepared myself under the guidance and supervision of '**Dr. Karen Howells**' in partial fulfilment of the Near East University, Graduate School of Social Sciences regulations and does not to the best of my knowledge breach and Law of Copyrights and has been tested for plagiarism and a copy of the result can be found in the Thesis.

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Name Surname Gürkan Arslan

DEDICATION

I dedicate this thesis to my father Bayram, where I missed the opportunity to meet him because he died when I was only 3 years old. I know he would be proud.

ACKNOWLEDGEMENTS

It is a pleasure to thank the many people who made this thesis possible.

It is difficult to overstate my gratitude to my supervisor, **Dr. Karen Howells**. With her enthusiasm, her inspiration, and her great efforts to explain things clearly and simply, she shed light on me. Throughout my thesis-writing period, she provided encouragement, sound advice, good teaching, good company, and lots of good ideas. I would have been lost without her.

I would also like to thank you to my dear teacher **Assist. Prof. Dr. Ahmet Ertugan**. I chose the graduate program with his advice. In the same way, I have determined the subject of my thesis by listening to his suggestions. Thank you for making me realize the steps I want to take in my educational life.

I would like to thank to **Prof. Dr. Mustafa Sağsan** for his inspiration and motivation.

I am grateful to my friends **Sıla, Kamil, Sabina, Chorouk** for their encouragement.

Lastly, but most importantly I wish to thank my mother **Fatma** who raised me alone, love me unconditionally, and motivate me every moment in my life as much as she can. And my best friend **Ersin** who always believe in me and proud of me, who always there for me.

ABSTRACT

FACTORS AFFECTING INVESTORS' BUYING DECISION IN REAL ESTATE MARKET IN NORTHERN CYPRUS

Investing in the general sense is a movement that people do not repeat very often in their lives, but it affects their lives to a great extent. However, there are some factors that influence investors' investment decision. Similar studies related with this subject have been conducted in other countries. But investment-related researches in North Cyprus is scarce. Purpose of this study is to examine the effect of the factors determined on the investors' decision to buy a home. These factors were determined within the framework of location, neighborhood, structural attributes and price. This is because these factors are often the key factors that influence investors' decisions most. This research will also explain that which factors are important and which are not important before buying a home for the investor. In this study, the proposed method of data obtainment is a semi-structured interview and the data obtained from total of twenty interviews to generate the analysis. The results will reveal how factors affect property investors' purchasing decisions. The result of this research will also provide a rich source of information that can be used by the construction developers to acquire how factors affect potential buyers' investment decision and the by the other researchers to conduct further researches.

Keywords: property buying decision, purchase intentions, investment, investors, North Cyprus, location, neighborhood, structural attributes, price.

ÖZ

FACTORS AFFECTING INVESTORS' BUYING DECISION IN REAL ESTATE MARKET IN NORTHERN CYPRUS

Yatırım yapma eylemi, genellikle insanların hayatlarında çok sık tekrar etmediği, fakat hayatlarını büyük ölçüde etkileyen bir harekettir. Ancak, yatırımcıların yatırım kararlarını etkileyen bazı faktörler vardır. Bu konuyla ilgili benzer çalışmalar diğer ülkelerde yapılmıştır. Ancak Kuzey Kıbrıs'ta yatırımla ilgili araştırmalar azdır. Bu çalışmanın amacı, belirlenen faktörlerin yatırımcıların bir ev satın alma kararı üzerindeki etkisini incelemektir. Bu faktörler lokasyon, mahalle, yapısal özellikler ve fiyat çerçevesinde belirlenmiştir. Bunun nedeni, bu faktörler genellikle yatırımcıların kararlarını en çok etkileyen temel faktörlerdir. Bu araştırma aynı zamanda, yatırımcı için bir ev satın almadan önce hangi faktörlerin önemli olduğunu veya önemli olmadığını da açıklayacaktır. Bu çalışmada, önerilen veri elde etme yöntemi yarı yapılandırılmış bir röportajdır ve analiz oluşturmak için toplam yirmi röportajdan elde edilen verilerdir. Sonuçlar, faktörlerin emlak yatırımcılarının satın alma kararlarını nasıl etkilediğini ortaya çıkaracaktır. Bu araştırma sonucunda faktörler, inşaat firmaları tarafından potansiyel alıcıların yatırım kararlarıyla ilgili birçok bilgi verecek ve benzer konuda araştırma yapmak isteyen diğer araştırmacılar için de kullanılabilecek zengin bir bilgi kaynağı sağlayacaktır.

Anahtar Kelimeler: gayrimenkul satın alma kararı, satın alma istekleri, yatırım, yatırımcılar, Kuzey Kıbrıs, lokasyon, mahalle, yapısal özellikler, fiyat.

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ABBREVIATIONS

QCA: Qualitative Content Analysis

AIDA: Awareness, Interest, Desire, Action

MDT: Modern Portfolio Theory

NC: North Cyprus

CBD: Central Business District

GIS: Geographic Information System

INTRODUCTION

This part introduces the subject of the study. This part also build up the statement of the problem and research questions. It will explain why it is necessary to research this topic and what research questions of this study will answer. This chapter of the research includes a section on the statement of the problem which will give information about the specific problem, background and need related to the problem, the focus of the study, research questions and what questions the research proposes to answer, and other important sections.

Background of This Study Definition of Real Estate

Real estate considered as "property comprising of land and the structures on it, alongside its characteristic assets, for example, harvests, minerals or water; unmovable property of this nature; an attention vested in this (in the same way) a thing of real estate property, (more extensively) structures or residential as a rule. Additionally: the matter of real estate; the profession of purchasing, selling, or leasing land, structures, lodging or housing (Oxford English Dictionary,2011).

Residential property may include either a individual family or multi-family structure that is accessible for no business purposes or occupation. Residentials can be grouped by and how they are associated with neighboring residentials arrangements and land. Different kinds of housing residency can be utilized for the same physical type. For instance, associated dwelling may be claimed by a solitary element and rented out, or owned independently with an understanding covering the connection between units and regular areas and concerns (Residential Property Law and Legal Definition Title 16).

Dwelling Needs

Robinson (1979) defines housing need as: the quantity of housing that is required to provide accommodation of an accepted minimum standard and above for a population given its size, household composition, age distribution, etc. without taking into account the individual household's ability to pay for the housing assigned to it. It is explain Bramley et al (1995) and Oxley and Smith (1996) that housing is a merit good which is on the basis of need.

Dwelling needs defined as: the quantity of dwelling that is required to ensure lodging of a concurred least standard or more for a populace given its size, family unit composition, age dispersion, etc. without considering the individual family unit's ability to pay for the dwelling assigned to it. It is clarify Bramley et al (1995) and Oxley and Smith (1996) that dwelling is a essential good which is based on need.

Needs and needs are two separate things as clarify by Levine (1995) that needs are the things imposed upon me freely of my will, while wants are the things 'we decide for ourselves as a method for expressing who we are. The difference between this two obviously explain that the need generally can be satisfy by the wants. For this reason, regarding to Robinson's description, the dwelling needs work freely. Peter (2003) clarifies that the subsumption of the definition the need of dwelling can be explained 'freely of the decisions and decisionmaking capacities of individual family units'. By the same token, Peter summarized the dewelling need as a depersonalized, abstract category.

Theoretical structure on human needs developed to a psychoanalytic culture that draft the human needs by clarifying the human inspiration (Abraham Maslow 1970. As known as Hierarchy of Human Need, in this theorem there are five standard of requirements that human will endeavor to fulfill in their life adventure. The minor level needs should be fulfilled first before further up to the major level.

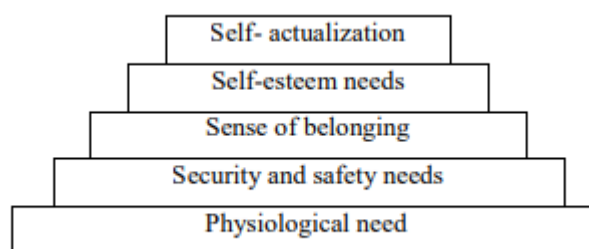


Figure 1: Maslow's hierarchy of human needs
 (Source: Adapted from Housing Education and Research Association, 2003)

A house can ensure environment which can boost up courage an individual to express their capacity and potential. Eventually, the Maslow's system is generally used to clarify the role of dwelling in supporting life (Lindamood and Hanna, 1979).

"Needs and wants should be intentional states in that we should care about the condition. We are want of something yet it is attached to our perception of an item" (Griffin, 1986). This clarify if a need of dwelling is convert to want moderately a decision of dwelling, at that point it would likely clarify the heterogeneity of the dwelling units.

Dwelling Choice

From the needs to decision, it would be more thought to be made. Peter (2003) say that thinking about needs and decision not quite comparing as like and like. When we need to satisfy the need, it is an essential consumption that we need at that condition. In any case, if the decision that we need to satisfy, it is clarify an action of picking the best that can meet with our desire.

Dwelling decision can be cariety, in size, location, structure, type, price and materials. As argued before in Maslow's hierarchy, dwelling decision can satisfy the dwelling needs. How do individuals decide a residence from accessible dwelling? How would they settle on their decision? What factors affect their decision? Dwelling Education and Research Association, 2003 with theoretical framework for impacts on dwelling decision examine different

variables that impact way of life far to dwelling standards which leads dwelling decision.

One of the family unit characteristics would be the age which is the significant way to specify population. Dissimilar scope of age will act distinctive towards way of living. Kind of household allude to the census categories; male householder families, female householder families and married-couple families. And for size of family units allude to number of individual in the family unit. This will impacts on the quantity of room required in the dwelling decision.

Phases in a life circle always alluded as family life circle is evolved by alluding to the age and family forms. In dwelling, this family life circle generally impacts the purchasing's behavior. Also RBC Royal Bank (adjusted from Kotler, 2008) has created five segmentations of life-phase. Beginning from the Youth section, speak for by clients younger than eight teen, Getting Started segment clients age between eight-teen to thirty-five who are going through first experience, for example, marriage , graduation, first car, first bank loan, , and first kid. This is generally house purchaser's experience their initial home purchasing and make their greatest consumption of family unit budget. The characteristic of social class is characterized by the salary, occupation and education. Michelson (1976) specified five dimensions of social class for example lower-class, lower middle class, working-class, upper medium class and upper class. In many states, education is seen as the best approach to increase income. Therefore, if family income is within the scope of normal population income, the family unit power of buying to purchase a unit of house is great.

Buying a house is a big decision that family unit make that include complex decision making. The procedure requires purchasers to go through various steps (Hamid, 2000). One model of purchaser status that regularly recognize is AIDA, for interest, action, awareness and desire (Strong, 1925). The model clarify when a purchaser reach at the choice stage, he or she really *aware* and know of the item and alternatives item, at that point the purchaser will discover out the information regards to the item as it will built up his or her *interest*, after

collecting all the information for evaluation to occur *desire* to purchase, finally the *action* to buy.

At the assessment stage, the item characteristics for sample type, number is requiring for the purchaser to decision phase.

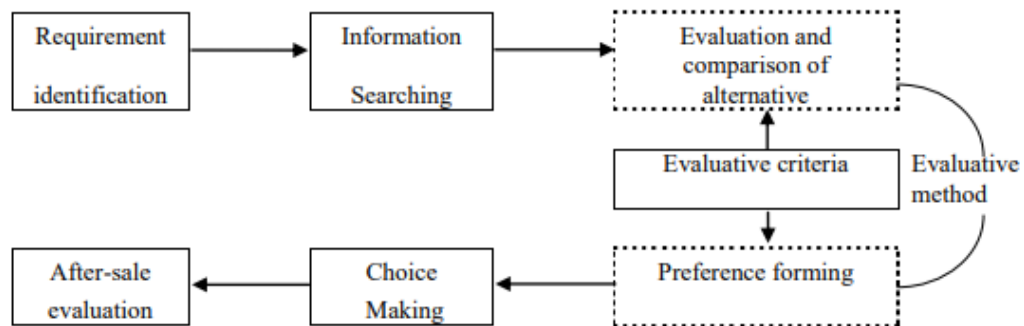


Figure 2:Real estate purchase decision-making process
(Source: Hamid,2006)

Others factors that may consider for housing choice are environment (Ge & Hokao, 2005), family influence (Levy & Lee, 2002) private living space and aesthetics (Opoku & AbdulMuhmin, 2009). All these factors will occur the investors's preferences in selecting a residential.

General factors that impacts house purchasers in their decision are location, construction area, , layout and design, neighborhood, surrounding, constructor's reputation, structural attributes, security of the area (Hamid et al, 2006; Chua, 1988; Hasmah and Ariffian, 1999). Others factors that might consider for dwelling decision are environment (Ge and Hokao, 2007), family influences (Levy and Lee, 2002) private living area and lifestyle (Opoku and AbdulMuhmin, 2009). Every one of these factors will occur the purchaser's preferences in choosing a house.

Purpose of the study

Buying real estate is not an easy decision for the investor. The investor must answer many questions in his or her own mind at the decision-making stage and make the right decision for him or her both materially and morally. Of course, there are many factors that influence such a big decision. Some of these factors are important, some are minor.

The intention of this study is to examine the effects of the factors determined on the investors' decision to buy a home. These factors will be determined within the framework of location, neighborhood, structural attributes and price. This is because these factors are often the key factors that influence investors' decisions most. This research will also explain that which factors are important and which are not important before buying a home for the investor.

Research Questions

The questions that will be explored and answered in this research are:

1. Does Locational factors affect the buyers choices in buying real estate in North Cyprus?
2. Does Neighborhood factors affect the buyers choices in buying real estate in North Cyprus?
3. Does Structural features of housing affect the buyers choices in buying real estate in North Cyprus?
4. Does Price factors affect the buyers choices in buying real estate in North Cyprus?

Importance and Contributions of This Research

Investing in the general sense is a movement that individuals do not repeat very often in their lives, but they affect their lives to a great extent and there are some factors that influence investors to invest. Many other studies have

been conducted in other countries. However, investment-related researches in North Cyprus is scarce. The most important point and contribution of this research is that both investors and developers will acquire benefit from the findings of this research. In addition, this study will shed light on researchers in Northern Cyprus who want to do similar research as well.

Outline of the Chapters

This research is separated into a total of six (6) chapters. The reader can see the brief contents of each chapter below.

Introduction, introduces the subject of the research. It begins with the background of the research. This part also explains the statement of the problem and research questions. It will explain why it is necessary to research this topic and what research questions of this study will answer. This chapter of research includes a section on the statement of the problem which will give information about the specific problem, background and need related to the problem, the focus of the study, research questions and what questions the research proposes to answer. In addition, it underlines the importance and contribution of this research.

Chapter one of this research is about the review of literature from previous studies connected to this research. It also provides background information about some factors related to real estate purchase decision and their impact on investors. Literature Review chapter also explains the Modern Portfolio Theory (MDT).

Chapter two presents the hypotheses and model that was used to guide this study. This chapter also shows how the hypotheses and model were developed and why they are important. It also tells why the variables for the model could be used to answer the study questions.

Chapter three gives information about the research design and the qualitative nature of this research, the techniques that were used in gathering this research's data, the sampling procedure and sample size. This chapter also

give information about the research instrument which is semi-structured interview and the content of interview, the procedure and the method of the analysis and ethical consideration of the research.

Chapter four presents the outcomes from the interviews by using the qualitative content analysis (QCA).

Chapter five gives information about the findings and discussions of the reasearch that acquired from the result of the interview.

Chapter six presents final chapter and it gives the final conclusion of the reseach, recommendations, implications and limitations.

CHAPTER 1

LITERATURE REVIEW

1.0. Introduction

This section of this research is about the review of literature from previous studies connected to this research. It also provides a background information about some factors related to real estate purchase decision and their impact on investors. Thus, to help the reader understand the multiple concepts related to this study and to make it understandable for the reader to understand the researcher's foundation for gathering and analysing data. Literature Review chapter also explains the Modern Portfolio Theory (MDT).

1.2. Literature review on Concepts and variables

1.2.1. House as a permanent good

Empirical study conducted in the area of permanent goods purchase behavior is good for at least two reasons: (a) a house is the most significant permanent goods in the household, (Punj and Hempel, 1999), and also (b) many researches of customer decision-making concerning household appliances or cars indicate that there are likenesses among the purchase processes related to various permanent goods (Punj, 1987)

1.2.2. House as a Residential product

House as example, a land bound property, can be identified as a consumer permanent product. One might buy such a property, a house once in her/his life time. Thus, this is a big particular and crucial purchase decision taken during her/his lifetime. Therefore, a real estate purchaser pays more attention and attracts in a big intensive search of data regarding this particular product in phase of buying decision rather than buying other products. At one ultimate of the decision phase, amount of importance and deliberation are very highly in the housing buying (Harry, 1976, p244). Likewise, residential, especially housing, is an beyond belief product (Mendes, 1995, pg3). Since housing satisfies one of the fundamental needs of a human it is not just a product.

Housing covers all the ancillary services and community amenities, which are a must for the well being of mankind, as mentioned by Sumanasekara (1996). Furthermore, the so called housing product is a very odd commodity when comparison with other kind of goods and services.

1.2.3. Real Estate Market and Development

There are countless and various factors in the real estate market and every one of them has a exclusive way of determining use exchange value and standard value according to Harvey (1973), They are as follows: (1) The Occupiers, (2) The estate agents (realtors), (3) The vendors operators (4) The constructors, (5) The fiscal institutions, and (6) The government institutions. Also, as the supply of the public housing could remain very low compare to the overall demand for housing, the sector force comes into play to meet this

demand. Accordingly Hamnett and Allen (1991) the following components might usefully be incorporated into a theory of dimensionally discontinuous housing sectors. First of all, in a sector situation the relationship between consumers and producers is a mutual one and each sides of the 'sector' influence the actual result (the sector must have countless purchasers and sellers of housing services). Furthermore, they have drawn that an understanding of the housing sector structure must start with housing production instead of housing consumption. Such an approximation stands in contrast to Rex and Moore's (1967) housing classification model which focused substantially on housing consumption instead of housing production. It also allows a powerful antidote to 'consumer-led' conception of market relationships. A 'supply-side' approximation to understanding the source of housing market divisions not only refers to the physical perspective of housing provision – the numbers and location of housing, its size, type and the standard of provision, etc.

Second of all, the role of negotiation between consumers and producers is basic to an understanding of the housing sector condition. Third of all, ability of definite households to race in the housing sector is clearly effected by affirmative action, most obviously on grounds of ethnicity or race. Fourth of all, space plays a important role in housing sector processes, the reason for this quite simply because, housing includes the consumption of property plot. Fifth of all, the housing market needed to understand as a energetic process, one that is incessantly changing in response to alterations in the structures of statute and the characteristics of demand (Niriella, 2015).

As a conclusion of property became a product, and effect over time made a house which is not only used for accomodation, but a product which satisfies security, esteem, social, and self actualization needs. This condition gave derive a need of many sides to build a property to a recognized standard. No one could her/his own residential alone at such standard according to Ariyawansa (2009). Therefore, he sought assistance from the neighbors. He also expressed with alteration in time people were shoved into a highly vibrant life style which led to limit their lives to a specialized frame of scheduled. This growth made to get their properties totally done by someone else or to choose

a house which is built leading to a beneficial industry throughout the world at present.

Some data on “Private sector housing in Sri Lanka” revealed by Rathnayake (1991). According to that people choose to buy ready to move in houses than to engage in the complex construction phases due to lack of knowledge and time constraints about the construction phases. In Colombo there was a boom period for the house development sector. Several significant features in the property sector housing development activities during this phase have also been identified. One was the quick increase in the number of house developers, specially in the city of Colombo, and Colombo’s suburban locations. They were either private or public companies, limited partnerships or partnerships individuals. The other features were the increase of property area sub-division schemes and sales of building and property blocks in Colombo and its suburban area. Some of the developments, associated in the earlier bigger property land subdivision schemes, turned to the property development activities this period (Niriella, 2015). At the same time some property developers in the country are building houses for their target markets in various scales which were not up to the expected degree for the client (Ariyawansa, 2009).

Rathnayaka (1991) pointed out around 25% of interviewed property buyers were not happy with the property they purchased and also the private market housing developers do not provide sufficient service to their target market. Hence, a need of thorough understanding about the consumer behavior appeared.

1.3. Consumer Behavior

The consumer behavior mentions to the buying decision of a certain service or a product. Buying decision is, actually, a highly complicated one, and subject to wide manifold of interrelated economic and behavioral effects (Modern, 1991, pg.147).

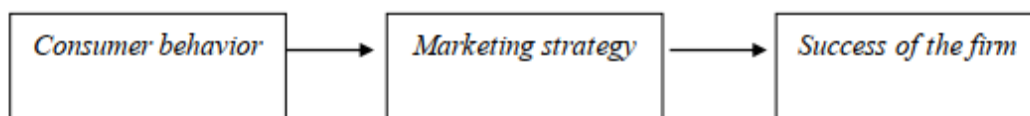


Figure 3: Consumer Behaviors
(Source: Ariyawansa 2009)

Consumer is a living human being. His inherent things as expectations, attitudes, desires etc...are very subjective. On the basis of this inherent situation, he gets and learns experience from the outer environment. Then having reformed the first base, he tries to perceive components of the environment (Ariyawansa, 2009). Since the consumer behavior is effected by inherent and outer characteristics in the macro environment. Hence, the effectual factors must be appropriately identified to have a appropriate understanding about the consumer demeanour where consumer behavioristic models will come into place.

In his marketing book, Kotler (2012) said the five phase model of the purchasing decision process. The purchaser commonly goes through five phases: problem recognition and information search, then evaluation of options, buying decision and lastly post-buying behaviour. It can be understood that the purchasing procedure begins some time before the real buying process and has proceeded after that. The below figure 1.1 depicts the buyer purchasing process model of Kotler. Kotler emphasized that buyers do not generally experience every one of the five phases – they may skip or turn around a few. It relies upon the urgency in the demand of purchasers; they can skip data search and assessment of choices.

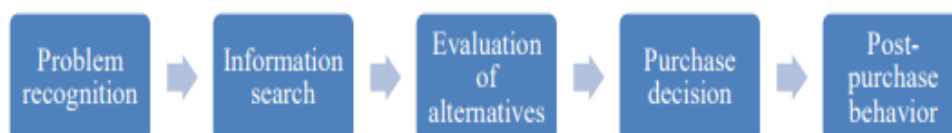


Figure 4: Consumer Buying Process
(Source: Kotler 2012)

- Problem recognition

This issue is dependably the principal factors in choosing any items. "The buying process starts when the buyer recognizes a problem or need triggered by internal or external stimuli." – Kotler (2012). Issue acknowledgment in this business to every purchaser is a living reason or a contributing reason. Customers are affected by their own particular private demand or their companions when they purchase or put into a housing property.

- Information search

In light of the big value of each housing property, purchasers dependably have experienced a careful data look before settling on any housing purchasing decision. It can be recognized two levels of engagement in the search: elevated consideration and active information search.

- Evaluation of Alternatives

According to Kotler (2012), some fundamental ideas will help us to see that the purchaser evaluation processes: "First, the customer is attempting to fulfill a need. Second, the customer is searching for specific advantages from the product solution. Third, the customer sees every product as a bundle of attributes with varying abilities to deliver the benefits."

- Purchase decision

In his book, Kotler (2012) states two elements which are between the purchase intention and purchase decision (intervening factors), they are the behaviour of others and unforeseen situational factors (location, neighborhood, structural, price)

- Post-purchase behavior.

After buying the product, the buyer will encounter a level of fulfillment or disappointment.

This model can be usable to identify only the "purchase decision processes" even in the property market similarly to the other goods to a bigger extent. This model implies that one, who has a need, strives to find huge of relevant data so that she/he can make a right purchase decision (Ariyawansa, 2009). This

model will just explain purchase decision process and cannot be exploited to understand a distinctive consumer behavior associated to complicated products such as property.

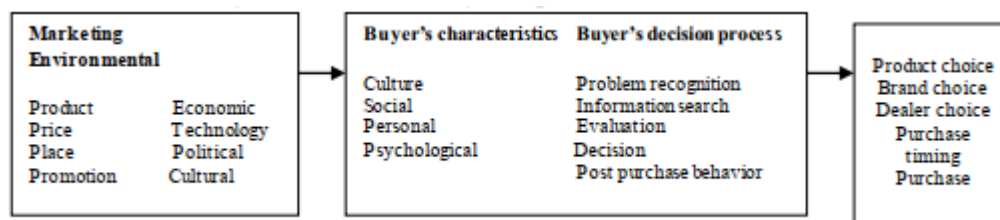


Figure 5: Outside stimuli Buyer's black box Buyer's purchase decision
(Source: Kotler 1999)

“Black Box Model” identifies the unknown facts which lay between the purchaser’s buying decision and the outside stimuli. This figure depicts the purchase decision procedure and a various of factors which sets the purchasing decision. These key factors surely can be recognized as a set of “general indicators of a consumer’s buying decision (Ariyawansa, 2009).

This model could be used to construct a conceptual framework since this context has recognized some usual factors affecting purchaser behavior. Thus, these usual factors can be used to specify particular factors affecting clients in buying a product like residential which is already developed by a property constructor.

1.3.1. Buying decision

Customers behavior is a significant study subject for last decades. “There is also a basic shift from psychological factors to rational factors and to social decision factors” (Bargh, 2002). Besides of that, there is a linkage between the “intention to buying” to “decision to buying” of customers, specially the decision engaged to buying property (Ajzen, 1991,; Han & Kim, 2010,; Kunshapn & Yiman, 2011,).

Buying decision is multivariable. The first parameter is the increase in the purchasing power. The second parameter is development in spending pattern shift from mandatory to arbitrary spending. The third parameter is development in the shift of this spending from nonofficial economy with individual investors

to official economy with organized businesses. The fourth parameter is development in number of first time purchasers. The fifth parameter is development in the shift of consumers from most scattered difficult to access agricultural markets to most concentrated and approachable urban markets. And above all the most significant parameter is the sensibility of the modern consumers with modest revenue and changing demands.

The awareness of this vulnerable consumer is result of the socialization procedure. The socialization is result of exposure to different environmental stimuli. The marketing and environmental stimuli enter the consumer's awareness according to Phillip Kotler, (2007) .This awareness gives birth to a set of mental steps that gets mixed with certain consumer characteristics to outcome in decision making processes and buying decisions. The most significant environment for developers is economic environment of the sector. Choice is one of the most basic problem of life in economic environment according to Seth, (1961)

The selections can be separated into two parts like; financial selections and non financial selections. The financial selections are no doubt highly significant but that does not mean non financial selections are worthless. As an example, a financial selection of spending more time in work place is a significant selection but that does not mean wasting time with children although non financial selections but not worthless. A financial selection might also be called as financial decision. An person living in modern economy has to take a few decisions everyday mostly financial in nature. Every financial decision includes a decision between options. The fundamental reason for this being the shortage of means and multiplicity of ends.

Resources are limited but when it come to ends to which they can be put are countless. The financial decisions are separated into three types; i) Personal Decisions, ii) Business Decisions, and iii) Public Decisions (Seth, 1961). The personal decisions are various depends on the habits, tastes and characteristic of the people. The business decisions which are made by seventy-two business companies mostly various according to the business settings considerations, subjective components in the business people's mind

and the business environment. The public decisions which are made mainly by the representatives of the public are affected by generally the availability of resources and necessity at the ends.

1.4. Factors considered by clients in buying property from private residence construction projects.

Residential construction arrived as an outcome of change in consumer act and requirest over duration of time, which allowed arise to residential construction projects established by a constructor, in order to give many availabilities to the customer which led the sector to recognize a new product call property. As an outcome of customers recognizing a property as a product they begun to compare to take the best value for money which allowed arise to recognize factors considered by a purchaser when placing the buying decision.

Property Physical	Distance	Environmental/Location	Financial
-House size	-Distance to	-Condition of	-Interest rate
-Number of bedrooms	-Distance to work	-Neighbourhood	-Maximum mortgage
-Number of bathrooms	-Distance to school	-Attractiveness of the area	(absolute amount)
-Accessible garage	-Distance to local shops	-Steepness/topography of the land	-Maximum monthly repayments
-Low maintenance	-Distance to shopping centre	-Attractive views	-Ratable value of the house
-Interior décor and design	-Distance to central business district	-Open space	-Length of time house was on the market
-Manageable garden	-Proximity to amenities	-Vacant sites nearby	
-Well built	-House on a main bus route	-Traffic noise	
-House type		-Security from crime	
-Layout of accommodation		-Quality of schools	

Table 1: Variables of Buyer Preference in Residential Property
(Source: Adapted from Daly et al. 2003; Adair et al. 1996)

From a purchaser's perspective the request for a property is based on a large range of considerations such as standards, family, behavior and objectives of people, business companies' government formals and others (Weimer, 1960). The demand for residential property generally a reflection on consumer's revenue and the major demand factors are the trends of employment and

revenues of the possible customer collectives and the terms and availability of economical (Weimer, 1960).

Residential Property Buying Decisions in Australia, Is It More Than a Location? (2009) has expressed affordability of the property, interior design and maintenance and a decent neighborhood is considered as the most significant. Therefore location is significant in the sense of community plus neighborhood, rather than prestige. Other study employs a content analysis of British and American valuation, and financial literature which yield fifty-five variables that are classified into four groups and these are; environmental, distance, property and economical characteristics (Adair et al. 1996).

Even fifty-five variables are considered in the above figure it has not consisted any mental, social and legal factors which needs to be included since it plays an important part when deciding buyers buying decision.

Roulac (2007) has tried to argue that the idea of branding can be used to luxury residential and that brand, utility and beauty are three characteristics that purchasers seek. Residential Property Buyers' Decisions in Australia, Is It More Than a Location? A (2009) study results has expressed that the external house scape is what a purchaser want see on inspecting the external of the house or seeing images. The property size and configuration of the house comprise the general information ensured in advertisements on the number of bed rooms, bathrooms and car park area. Specifications consist of also a swimming pool, air-conditioning system etc. The last factors are maintenance and appearance, and indoor design.

The Other factors are tagged wide positioning in terms of central business district (CBD), transport and the other general facilities, city center distance, by meaning closeness to central schools, shopping malls and work places. Some other factors are landscape, a good neighborhood/area, location in the meaning of prosperity and quality, and environmental/green issues. One of the other main factor is lender constraints on economic for buying or affordability/borrowing with timing being the second factors are tagged compatibility and access and roads/water/views/. Features within the remaining characteristics form each tagged mental and evaluation

respectively. Hence, a buying of residential property is based on few factors but in this research the one and only attention was made to recognise physical factors considered by a purchaser who is carefully considered by a purchaser and has not placed any significance on other factors which represents biasness.

Phan Thanh Si (2012) expressed that some factors to be considered by a purchaser when placing their property buying decision.

First of all, “specifications” of the property structure itself is a significant indicator of a household selection of residential (Quigley, as cited in Haddad, 2011). Other than that, it is approved that “specifications” has very important affects on investors’ property buying decision making (Sengul et al., 2010). The “specifications” of residential consist of “house size”, “design”, “quality of property” determinants connecting to purchase decision making to purchase a property of a person (Adair et al., 1996; Daly et al, 2003; Sengul et al, 2010; Opoku and Abdul-Muhmin, 2010).

Secondly, “personal living area” is one of the most significant factor effecting to “purchaser buying property decision”. Living area consists of “living room”, “kitchen”, “bathrooms”, “bedrooms” (Opoku & AbdulMuhmin, 2010). Also, it is confirmed that there a relation between the “space purchaser” and purchaser buying phase (Graaskamp, 1981).

Third of all, “economical” condition is much important to purchaser property selection (Hinkle and Combs, 1987 p.375; Kaynak and Stevenson, as cited in Sengul et al, 2010). The “economical” component of property request access to a relative big amount of “borrowing costs” and as much as “capital” (Xiao & Tan, 2007). Additionally, “economical” status bases on mix of “property price”, “bank loans”, “income” and “payment conditions” (Opoku & Abdul-Muhmin, 2010; Yongzhou, 2009,). Haddad et al. (2011) exposed the “financial” factor which is consist of five variables, such as “area”, “income”, “conversion”, “taxes” and “interest rate”. Likewise, Adair et al. (1996, p.24) and Daly et al. (2003) group “maximum bank loan”, “interest rates”, “maximum monthly pays”, and “length of time payment term” into “economical” factor.

Fourth of all, one most significant factor affecting investors "decision" making to purchase a house is "locational" factor (Kaynak and Stevenson, as cited in Sengul et al., 2010, p.219). The "residential location" has an effect on "people's housing selection" (Zabel & Kiel, as cited in Opoku & Abdul-Muhmin, 2010). The distance to selecting property can be effected by "location to school" and "width of adjacent" (Opoku & Abdul-Muhmin, 2010). Furthermore, "distance to school" , "distance to central business" and "distance to workplace" are considered (Adair et al., 1996). Also, "access to recreational amenities" and "maid road access" are proposed (Iman et al., 2012).

Fifth of all, "environment" including "neighborhood area", "view", "area attractiveness", "general security", "noise from around districts" and is mentioned as one of the determinants of a residential's decision of property (Adair, 1996). It is accepted that "environment" has a huge affect on property purchaser (Tajima, cited in Opoku & Abdul-Muhmin, 2010, p.224) and it is confirmed by Morel et al. (2001). Especially, "neighborhood" quality pay intention very much to property buying decision making of investor (Gabriel & Rosenthal, 1989).

Demographic characteristic of investors are internal factors connected to decision making (Mateja & Irena, 2009). "Demographic" characteristic comprise of the people in term of "sex, age, marital status, educational status, the quantity of family members and children , career, as well as the residential property".

"Demographic" characteristic comprise of age (Yalch & Spangenberg, 1990), education (Gattiker et al., 2000), house income level (Dawson et al., 1990), sex (Zhang et al., 2007) which are factors affected on the "purchase motivation" of customer. Especially, "sex" has important impact on the economical feature of the property (Sengul et al., 2010). It is also accepted that there is a important differences in property purchase decisions to "age" and "sex", plus not to "education levels", "marital status" (Haddad et al. 2011). In accordance, in this research, "sex" and "age" characteristics are thought as control variables so that examine whether affect of those demography variables on property buying decision making of investors or not. It represents

that there are basic factors which is considered by a investors as well as sub-factors which comes under basic factors which are considered by a property purchaser.

The other factor is behavior, is the individual's favor or disfavor regarding an action (Tongletet al., 2004, Al-Nahdiet al., 2008; Al-Nahdiet al., 2009). From consideration of Ajzen, etal, behavior is defined as a mental tendency that is explained by evaluating a certain entity with some level of favor or disfavor (Ajzen&Fishbein, 1980). Behaviour is one of the determinants that effect a person attitude (Gibler and Nelson, 1998), behavior affects investor's intention to buying durables (Chung and Pysachik, 2000; Summers et al., 2001), and behaviour affects investor's intention to buy a property (Phungwong, 2010; Numraktrakul et, al., 2012).

Cultural and Social factors play an important role in the relative significance of property preferences which are specified by religion, consanguinity, and social relationships (Jabareen, 2005). Investors' view point of social pressures put on him by others to buy a product (Phungwong, 2010) are parents, friends, political parties and a realtor involved in the buying decision (Kalafatiset al., 1999). It was found that outer factors affected the buying process, e.g. outer factors like reference family and groups affected the buying process of a custom-made prefabricated property (Koklič& Vida, 2009).

Price is also a very important factor for investors to consider when buying property (Hinkle and Combs, 1987; Kaynak& Stevenson; Si, 2012). The price factor request that residential purchasers to borrow big amounts of cash and to pay the premiums for borrowing. This finance premium is used as an indicator of investor willingness to buy a product (Numraktrakul, 2012). Paco and Raposo (2009) explained that price factors usually had the biggest impact on decision to buy products.

Feature of house	Private living space	Financial status	Distance	Environment
House size	Kitchen size	House Price	Width of	Neighbour's condition
House's legal status	Quantity of bedroom	Maximum mortgage	Street adjacent	General security
Interior design	Quantity of bathroom	Maximum monthly repayment	Distance to work	View Noise
External design	Living room size	Interest rate	Distance to market	Pollution Nearby
Construction quality	Storey of house	Income	Distance to school	Traffic
Construction duration		Payment duration	Distance to recreation centre	
Type of house		The registration fee	Distance to the central	

Table 2 :Important factors considered by customers in a Residential Property
(Source: Ariyawansa 2009)

Saw Lip Sean & Tan Teck Hong (1985) asserted factors effecting to the purchase decision of a property by a investor.

Locational Factors

As indicated by Kotler (2012), put alludes to having the right product, in the right place and at the right time to be purchased by clients. This legitimate situation of items is done through channel of dissemination (broker). In the property business , moderate agents have an essential influence in creating the bubble. They are frequently the principal aggregate that approach the houses and theorizes at the expansion in price. This issue was specified as the reason of the housing bubble.

Another exceptionally intriguing field to investigate in the market examination is the thing that geographical information system (GIS) could contribute with, particularly while considering the significance of retail focuses area in relation to each other and in connection to Central Business Districts, roadways, public transportations and so on.

Nair (2011) features the significance of the potential financial specialists need to settle on more informed and better choices. For instance, potential investors must delve into examine on the location and request factors of the potential

venture, for example, the allure of the location of the property, the employment showcase, the territorial or local economy and the populace growth. The location particular qualities should likewise be viewed as, such as how growth can influence the properties in the particular territory (Roque, 2011).

Botzen et al. (2009) found that houses close to a river will probably endure flood damage than houses far from a river once a dam ruptures or is overtopped by high water levels. As Dixon et al. (2006) place, proximity to expansive waterways that are liable to waterfront flooding fills in as a steady suggestion to property holders in the community of the flood hazard they confront. From their examination Dixon et al. (2006) discovered that a location with a higher number of properties in danger of being overflowed (known as an extraordinary flood risk territory) has a higher demand for flood insurance. Kriesel and Landry's (2004) discoveries that property landlords close to a flood zone will probably buy flood insurance. Their exploration demonstrates that an expansion of 1 % in separate from the flood zone diminishes the likelihood of acquiring flood insurance by 0.88 %.

Nice locational characteristics are usually linked to the accessibility plus proximity towards local facilities like shopping centers, schools and transportation centers (Clark et al., 2006; Kauko, 2007: and Levine, 1998; Tan, 2011b). Elder and Zumpano (1991) said that the price of property land and property is reflected in nice locations or areas that are near to shopping malls, schools and public transportations. Daly et al. (2003) expressed that the location of a property has a big affect on purchaser's preference in buying residentials in Australia, UK and Ireland. Distance is explained as a factor that make an impact purchaser's preference in the decision making process of residential purchaser, like distance to the schools, workplace, shopping centers and central business districts (CBD). Therefore the distance to house from the workplace is generally considered when selecting a residential to invest in. Karsten (2007) and Tu and Goldfinch (1996) claimed that the distance of workplace has been found to effect residential selection among households choosing not to waste lots of time going to work. Moreover, Kauko (2003) claimed that location has a powerful correlation with increment of residential value and behaviour in residential purchase.

Neighborhood Factor

According to Choguill (2008), he describe neighborhood as a space in which resident live jointly for a same benefit. As expressed by Tan (2011), a residential that is located in a decent neighborhood should be best as households will pay much more for the home with great indoor and also outdoor environmental standards. Researches by Chapman and Lombard (2006) and Tan (2011) expressed that the neighborhood area, for example, tidiness, pollution and felony are imperative elements before choosing the buy of a real estate. It is of major significance that safety level in neighborhood is the principle interest for house investors in Malaysia these days because of an dilatation in the type of crimes, for example, thievery and grab robberies. As demonstrate by Hunter (1985) , Lang and LeFurgy (2007), holders are ready to pay much more money to live in a safe and monitored neighborhood to reach a more prominent significant serenity. Likewise, buyers will need to check into the real estate in the gated and monitored neighborhood keeping in mind the end goal to ensure they are maximizing their venture. Gated-guarded properties generally accompany a price tag. Asiedu and Arku (2009) said that with CCTV type system installed along the garden hedges and security staff guarding the perimeter could bear more noteworthy expenses related with the maintenance of the gated monitored real estate. Moreover, there is a typical discernment among community that a gated and monitored housing property mirrors a person's positioning or salary (Blakely and Snyder, 1998; Tan, 2010). Individuals wants to live in a safe and monitored group for the exclusive image that is projects 17 alongside the want for differantiation. This is on account of the safe and guarded community is said to symbolize and also container ranking on the social step.

Robert et al. (2012) conceptualizes security as the level of protection from, or resistance from harm. It applies to any powerless and profitable resource, for example, a person, dwelling, community or group, nation or organization. The avarage number of crimes in a zone gives subtle elements on how safe a place is. A place where indications of vandalism and suspicious locations are seen inside the neighborhoods is thought to be unsafe. Each individual inclines toward living in safe places consequently shying far from living in unsafe local

locations (Kamau, 2011). This decreases the demand for houses in such places along these lines influencing the house values negatively. On the other hand, there will be higher request on the properties which are situated in safe locations.

Structural Attributes

Structural factors considers every single physical condition and additionally the standard of the house. The quantity of bedrooms or restrooms in a home is an element that one buyers before settling on residential ownership choices, especially in some western countries (Hurtubia et al., 2010). General constructional characteristics comprise of size of livingroom and dinning room, structure size plus number of rooms and restrooms (Fierro et al., 2009, Laakso and Loikkanen, 1995, Tan, 2012b; Tiwari and Parikh, 1998; Wilhelmsson, 2000). Therefore it is for the most part trusted that purchasing a property for possess utilize and purchasing a hedge property has distinctive criteria. House investors for the most part incline toward littler properties particularly flats and apartment in light of the fact that these residential have been more popular amongst residents at all times (Kohler, 2013).

Price Factor

Price is the fundamental value in decision making of house purchasers. Since property is an extraordinary item with gigantic esteem, property agents need to base on the present economy to adjust the price. For instance, the price in bubble times is higher ordinarily than in the ordinary time period. As per Kotler (2012), price can be considered as a marker of quality. The less purchasers pay for a house, the poorer quality they hope to. The great quality of a house or a flat is communicated by great location, the accommodation and other encompassing components, for example, marketshops, school, roads, malls and so on. What's more, on account of the purchasing pattern, the housing activities are built in the rural zones where buyers can purchase an advantageous house at a sensible cost.

The economical characteristic is also taken into the consideration for residential investors. As explained by Reed and Mills (2006), several key

locations according the prices are identified. These comprises price of the property, residential income, mortgage interest rates and also ability to obtain affordability. As a purchaser, the price may be the utmost significant factor among all factors. The reason for this because the fiscal are often involved with cash in which purchaser would want to benefit from their invests. Even though lots of factors covered in this study it shows that any attentions on psychological and social factors were not given any consideration.

Ekanayaka and Weerakoon explained the work done by Belching, (2000) on factors which specify the acceptable property location. He also said various factors which are very important in location suitability for property development such as, quality of neighborhood, accessibility, environmental quality, bad environmental affects (traffic, pollution etc), environmental factors (wildlife, wetland, scenic rivers etc), requested infrastructure, reasonable design and siz, use of surrounding, excessive traffic congestion and some other additional factors such as(historical development, dynamic changes, topographical specification and size and government policies). Those factors extremely effect the property uses and these factors must be considered when choosing a good location. Manivannan and Somasundaram (2010) have argued that a purchaser will think a number of factors when buying a property. The importantly factors are location, neighborhood, structure size, type of property, quantity of bedrooms, layout and design, facilities, amenities, view of the property, density, constructor reputation, promotions, security of the place, and convenience of the property. Other features that might contribute to housing selections are environmental quality and workplace accessibility. These factors determine the market value of a residential.

Investors' view point are shaped subsequent to their services experience which received from an organization. Moreover, the degree of previous investor experience with exact services that serve by other companies can affect on investors' service quality perception. Researchers assume that expectation and perception are powerful relative concepts (Parasuraman, Zeithaml, and Berry, 1985; Mersha, 1992; Avkiran, 1994). Thus, has drawn the attention on a highly significant psychological component which is customer perception. Investors' perception outcomes from how investors identify service

quality and future predictions. Nevertheless, it can be shaped through the affect of other individuals and through marketing components which will also affect the buying decision which was recognized by Manivannan and Somasundaram (2010) as follows.

Marketing Factors

Each component of the market mix – product, promotion, place, and pricing has the potential to effect the purchasing process at different stages.

Product: The exclusiveness of the product, the physical packaging and appearance can affect purchase decision of a customer.

Pricing: Pricing strategy does influence purchase behavior of customers. Marketers must take care the price sensibility of the target customers while putting prices.

Promotion: The different components of promotion such as advertising, personal selling, , public relations, publicity and sales promotion effect purchase behavior of customers. Marketers choose the promotion mix after thinking the nature of customers.

Place: The distribution ways and the distribution place affect purchase act of customer. Marketers make an endeavor to choose the correct way and distribute the products at the correct place.

1.5. Modern Portfolio Theory

1.5.1. Introduction of Investment Theory

The making decision phase has always been seen through various investment theories. Motivating factors of investors' could lead from necessity to achieve variation of assets to the strategic, long term goal connected to the presence in a certain sector. Formerly diversification in an investment was construed through investments in different classes of properties or by dissemination assets in a few places within one area. Investment market globalization, boosting flow of data, and synchronization of laws and regulation conducted to easiness of general investment acts (Chernysheva 2011). Some of the important investment theories leads the question of cross border investment

and hence indicate the differentiations in the decision making phase. Investment theories generally take in to account the advantages and disadvantages of the investments and pay attention to cores that effect the decision phase. Nevertheless, modern portfolio theory, and efficiency in market hypothesis tells the logic and motives through the decisions as well.

1.5.2. Portfolio Theory

In order to escape excessive exposure to a single origin of risk the assets are spread through various kinds and locations. Diversification of residential involves three main dimensions such as the level of the expected return, timing-horizon dimension and extends of the risk tolerance toward to the investment (Axelsson, Victorin 1999). Portfolio theory is also used to establish possibilities of combining residential locations and types. The relationship between diversification by investing in different locations and by residential type has been compared through a few studies (Vit, 2009, Eishholtz, 1996). Main studies engage the mean-difference analysis in inclusion of abroad residential into portfolios, considering that the general portfolio theory is not the most suitable to apply at the direct residential investments (Chernysheva, 2011).

Markovitz (1952) modern portfolio theory is founded on the premise that investors' act is specified by the level of risk. Accordingly, his theory investors' have the goal to make highest potential expected income given a certain highest covariance. This optimal portfolio relies on mathematical calculations where the absolute majority is based on general or historical information. Greater level of covariance means major expected yield while minor level of covariance should result in low expected income. Nevertheless, accordingly this theory, investors are putting greater emphasize on the total portfolio weighted yield and covariance than on anticipation to obtain the best expected yield. They also analyze how people class asset influence the portfolio instead of measuring the anticipated income and difference of a single class asset (Chernysheva, 2011).

Diversification of portfolios would not show how the investors look to increasing the expected income; instead it leads more to lowering potential risks. This is

inferred through Roy's (1952) study explaining that investors must take into account all potential outcomes taking direct action and that through diversification they are averting reaching the best expected return. Nevertheless, it is inferred that customers through diversified portfolio are escaping results of an eventual disaster. Furthermore, the latest global financial crisis had not spared the diversified portfolios thinking that it effected assets of every kinds and in nearly all location. Therefore, this theory also does not determine which approach of diversified assets is more efficient and the ones of various residential types or locations. Effective market signifies that the transaction expenses of selling/purchasing a product do not exist and all data that reflects the price is available and free to all sector actors (Fama, 1970). But even if those situations are not met, the sector is not considered to be ineffective (Charnysheva, 2011).

In practice lots of markets have big transaction expenses but the availability of data and transparency is not an subject. Sectors with availability of data pose a dilemma to investors if the price of obtaining it is rationally compensated through the transaction. Nevertheless, the informational effective market means that one would not achieve constantly the excess on medium market return under the hypothesis that the market is risk-adjusted and data is publicly available.

CHAPTER 2

MODEL AND HYPOTHESES

2.0. Introduction

This section presents the hypotheses and model that was used to guide this study. It tells how the model of this research was formed based on previous study conducted by other researchers. This chapter also shows how the hypotheses were developed and it also tells why the variables for the model could be used to answer the study questions.

In the literature review, the effects of location, price, neighborhood and structural attributes factors on the investor's purchasing decision were explained. According to the literature review, this study's model is represented below:

2.1. Model

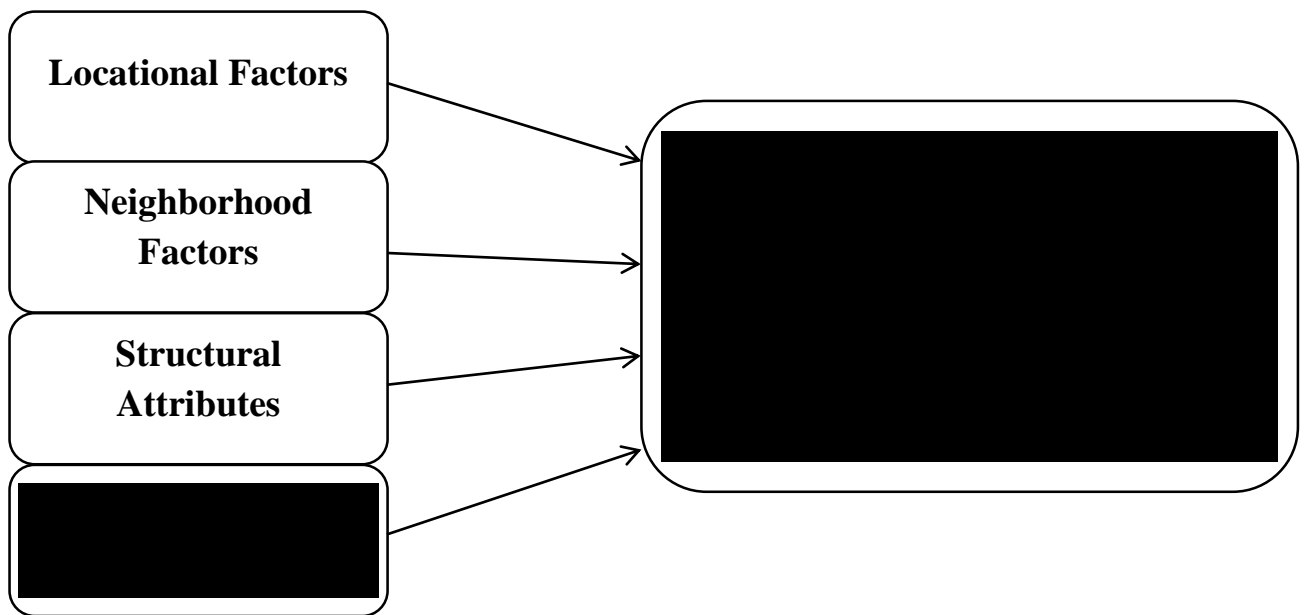


Figure 6: Conceptual model of this research

2.2. Hypotheses

H1:	Locational factors affect the investor choices in buying real estate in North Cyprus.
H2:	Neighborhood factor affects the investor choices in buying real estate in North Cyprus.
H3:	Structural features of housing affect the investor choices in buying real estate in North Cyprus.
H4:	Price factors affect the investor choices in buying real estate in North Cyprus.

CHAPTER 3

METHODOLOGY

3.0. Introduction

This section of the theses clarifies the study design and the qualitative nature of this research, the techniques that were used in gathering this research's data, the sampling procedure and sample size. This chapter also gives information about the research instrument which is semi-structured interview and the content of interview, the procedure and the method of the analysis. The last phase of this chapter tells the ethical consideration of the study.

3.1. Research Design

The study design is a very important section of the study which tells how the researcher aims to answer the research questions and how data will be acquired and analyzed, as well as issues of ethics (Saunders et al., 2015). In research design, the researchers need to assess their personal expectations, skills, the goal of the research including the data access (Thomas, 2013).

This research will examine the effect of key factors on investors' buying decision in the real estate market to understand how the specific factors affect their decision and what they take into account before they invest in residential. The research will collect information from the investors or buyer who are capable of buying residential. Some researchers have been done analogous studies but the questionnaire method is the one that most of researchers use in collecting

data and this study use semi-structured interview for collecting the data. Semi-structured interview are known to give the of the most right data's from interviewees since its give the interviewees significantly more space to explain and share their point of perspectives about a subject, not at all like than give them regular questions they need to answer. Semi-structured interviews has chosen for this research and the reason for this are to discover how locational, neighborhood, price and structural attributes factor affect investors purchase decision. This study is a qualitative research. This reseach approach to the theory formulation is a connection between the inductive approach and the deductive approach and is in this way abductive. The research also took the design of exploration. The research sought to discover the “how” of the topic at hand and this is the reason that the reseach took the exploration design.

3.1.1. Research Method

The research nature is qualitative. Qualitative research is generally interpretive and it gives the researcher to make subjectively meanings. It's data gathering takes place in natural setting that strengthen trust with the respondents and lets for a rich source of data (Denzin et al.,2011). In qualitative researches, the researcher discovers and analyses a problem, situation or human behaviour, by standing next the people who are being research, to understand and see issues from their perspective (Bryman,2004).

The qualitative research has been choosed for this reseach, this is because of the aim of this research. The research aimed to understand how the spesific factors affect investors purchase decision and what they consider before they invest in residentials. The researcher also wanted to understand the effects of key factors, from the perspective of the participants. The reason for this because the participant were those who would invest a residential and to better understand how the key factors affect their puchase decision, the researcher had to see the position of the participant to better understand the situation.

Another reason for the choosing a qualitative research is the transparency and flexibility that it lets for the researcher to gather the right data in a most natural option. The factors affecting investors' purchase decision in property market in North Cyprus is a rare subject that has not been sufficiently understood and

explored even though there are lots of investors.. There is still data that has to be made available in this uprising argument that has not surfaced yet. Therefore it was important that this study made use of the qualitative research method, which let for collecting a big source of data that the quantitative research might not provide. This is because qualitative research makes it possible to get more information that surface up during information collection due to the transparency of the data collection procedure (Bryman, 2004). With reasons like this, the qualitative method was the one of the best method for the aim of this research.

The aim of the study was exploratory. The explorative essence of the research was because the researcher tried to understand how the locational, neighborhood, structural and price factor affect the investors purchase decision on real estate market. The study was conducted to know how these key factors would make an impact the purchase decision phase, therefore, it was explorative.

The research is an abductive research. Most qualitative studies are generally inductive, meaning by that the researcher use the research to conduct new theory. Saunders et al. (2015) but explained that, virtually, most qualitative researchers possibly rather use the abductive concept which is a mix of the deductive concept generally used for quantitative data and inductive concept usually applied in the qualitative studies.

The abductive concept to theory development deduces theories from the previous researches and induces recommendations at the end of the study. This research made use of theories from previous literatures and it made inferences at the end part of the study.

3.2. Data Collection

This part explains how the information for this research was collected. It concises the reader about the content of the interviews, the research instrument, the respondents of the interview and how they were sampled.

3.2.1. Research Instrument

The instrument for this study was a semi-structured interview. A semistructured interview is more open, less formal and more flexible but still gives the interviewer to guide the course of the study, thereby ascertaining the requested data from the interviewee (Easterby-Smith et al., 2015).

Choosing semi-structured interviews as the study instrument was effected by the subject and the aim for this study. This study is qualitative and hence allows for a big source of data. Nevertheless, it is at the same time explorative and try to explore the how factors affect the investors' decision. It is hence important that the choosing instrument fulfils both the research method needs and the aim of the study. A semi-structured interview gives for a big source of data, while directing the study in a way that can allow the requested information that would help in discovering the how factors affect investors' purchase decision sufficiently.

3.2.2. The Interview Questions

Interview questions of the reseach has to be related with the topic (Saunders et al., 2015). The interview questions of this study connected to the topic. There were total of four main questions and total of six sub-questions that guided to answer the study questions. The interviews for this study were guided by key questions that were centred on the subjects meaning factors for this study and there were sub-questions aswell. The main questions and the sub-questions were unavoidably asked to the interviewees.

There were a total of four subjects that guided the adjusting of the questions. The subjects came from previous literature that has a relation to the topic of this study.

The first subject of this study was about how locational factors would affect investors' buying decision in property market.

The second subject of this research was how neighborhood factors would affect investors' buying decision in property sector.

The third subject was about how structural attributes would affect investors' buying decision in real estate market.

And lastly the fourth subject was about how price factors would affect investors' buying decision in property sector.

All of these subjects help in answering the study question and to discover one aspect of the topic in this study.

3.2.3. Participants and Sample Size

For this study, the sample size is twenty (20) people. There is an old saying in research, "the more information points the better." Nevertheless, for practical reasons Crouch & McKenzie (2006) brought in that less than 20 respondents in a qualitative research helps a researcher maintain and build a close relationship and therefore improve the "frank" and "open" exchange of data. This can help extenuate some of the prejudice and legitimacy threats inherent in qualitative study. As a result, the "sweet spot" sample size for the most qualitative research studies is 15 to 20 homogeneous interview respondents. The reason that the researcher choose 20 participants is to let the study more chance to explore more information about the subject. The sample size was specified by the nature of the study which is qualitative. Qualitative research use interviews necessitate a small sample size. Therefore, this is because this study is about how factors affect investors' purchase decision.

3.2.4. Sampling Method

For choosing a sampling method for qualitative research, the focus lies on whether the participants meet the research's theoretical need, also adequately presents the population for the study (Easterby-Smith et al., 2015). This study conducted by using the convenience sample method. A convenience sampling method is a kind of non-probability sample method where the sample is chosen from a group of people easy to reach or to contact. For example, standing at a grocery store or a mall and asking potential people to answer questions would be a convenience sample example. This kind of sampling is also known as availability sampling or grab sampling. There are no other standard to the sampling method except people be willing and available to

participate. Furthermore, this kind of sampling method does not need that a basic random sample is generated, since the solely criteria is whether the respondents agree to respond. The selection of sampling method was affected by the research topic. In addition, the participants, people who are readily available to the researcher.

3.2.5. Data Collection Procedure

Data collection of the reseach started with pilot test. The researcher implemented an initial interview to measure the questions to be sure that they were adequate to answer this research's questions. For the pilot test the interviewee was choosed after the researcher made questions from credible sources to assistance in selecting a participant who fell in the requested sample population. Afterward the pilot test, the questions appeared sufficient so the researcher kept with the next participant for the interview. The next participant for the interview was introduced to the researcher, by the initial interviewee.

The interview phase started with little chat. Then the researcher went on to ensure the interview consent form to the participant. The consent form informed the participant on the aim of the research, what was requested of them and the ethical considerations. Subsequently, checking the consent form and agreeing to be interviewed, then the researcher took time to check through the interview with the assistance of the interview guide. The answer of the interviewee was what leaded the interviewer's following question. The interviews took around twenty to twenty-five minutes.

Documentary source for the interview was in writing, also known as note taking. Hereby, transcription was not necessary. Saunders et al. (2015), described that, note taking lets the interviewee feel their answers are beneficial and useful to the interviewer, therefore, they put in their best. The researcher with the assistance of an interview record paper, put down on sheet what the respondent said by putting them down shortly and then writing them up in full words afterwards.

When all the interviews finished, the researcher read the interviews frequently. The researcher also found similarities by constantly comparing the answers. After reporting the data, the research followed to the phase of analysis.

3.3. Analyzing the Data

The method of examining method, the data should match up with the research method. Also the data collection method (Jiao,2015). Meaning of this, that the choice of either quantitative or qualitative method specifies how data will be gathered and how it will be analyzed.

There are four steps involved in a qualitative data analysis. The collection of the data is the first step and the second step is lowering the data into a more controllable form. Next step is indicating the data, and the fourth step is reaching conclusions, Graue explained (2015).

To make a better analysis, the data should be classified and ordered, thus, that the needed data can be easy to used and recognized for the analysis (Kauppinen et al., 2017). The data have to be categorized.), In analysing qualitative data, the non-verbal actions meaning gesture and mime of the interviewees must be considered as well as their reasons behind the responses they gave, Kauppinen et al. (2017).

For this research, the analysis method is the Qualitative Content Analysis (QCA).

This QCA is a method of analysing qualitative information that lets for content diminution and organization, it helps to interpret the information in a way that make sense (Lepistö et al.,2017). Content analysis is highly flexible and is a really good way of analysing qualitative data, specifically with abductive theory.

The researcher read all the written down notes multiple times to get familiar with them. Afterward, the researcher begun putting the data under the pre-set factors meaning subjects. They were also categorized and were used in the analysis aswell. The documentation source of the interview was taking notes. It was hence more easier to put the information together since it took the extra

sheets away that transcribing recorded audios represented. This was done to lower the bias that qualitative data represented most of the time. The researcher plays a huge role in the gathering of the data when it comes to qualitative research, the analysis of the collected data and the results of the study. It is hence important that the researcher takes steps to lower the bias that is caused as a conclusion of their involvement.

3.4. Ethical Reflexion

This study kept the privacy of the participants confidential. The interview consent form which was represented to the participant included the aim of the interview, the secrecy of their personal informations and answers, withdrawal and participation was the main things expected from the respondents,. The interviewees to the interview were given the choice to quit the interview before the interview start or before the information was presented. With regards to the secrecy of their personal informations, their names were not divulged but instead of that, the participants were tagged with alphabets to identify them easily. nevertheless, no respondent quit the interview because of the ethical phases taken by the researcher before the interview start.

CHAPTER 4

RESULT AND ANALYSES

4.0. Introduction

The outcomes from the interviews are presented in this section. The answers were grouped into subjects and they were presented as how they are. There is a prologue to the subjects to help the reader comprehend why they were put into those subjects.

4.1. On the background of the respondents

The participants in this research will be adults who can capable of buying property and the study was conducted regardless of gender. In addition, no age category was required provided that the participants were over 18 years old. The interviewers were from different nations. The researcher specifically tried to choose the difference when selecting participants by predicting the different age groups, lifestyles, and cultures. The participants consisted of Half-people living in Northern Cyprus and abroad, few of whom came for holiday purposes only. The participants consisted of employees, non-employees and retired persons. Some of them were married couple, some were single participants had different occupational groups. If we give examples to some of these,; military nurse, car salesman, sports teacher, electrician, real estate consultant, blacksmith, salesperson, beekeepers etc.

4.2. The location where the investment takes place

In this subject, participants were asked how important the location of the investment they would buy is for them to understand the affect of this factor to their decision. In addition, participants were asked to describe the location of the real estate they would buy. The reason for this question is to be sure that the participants 'responses were consistent and to understand the effect of the location factor on the respondents home purchase decisions. Finally, participants were asked whether they would take into account the mandatory or arbitrary requirements when determining the location of the real estate they would buy. The reason for this is to home buying decisions.

When asked to the interviewees how important the location of the house they will invest for them, almost all of them explained that the location is understand the underlying reasons for the respondents ' responses to the question of the effect of the location on of great importance to them, and that the location is a factor that they specially care about before deciding. The majority of the interviewees answered this question short and clearly, "*very important*" and very few said, "*the location does not affect my decision.*" Respondent 'K' said:

"It does not affect much, the house I intend to buy must be far from the city."

Respondent K

The interviewees were asked to describe the location of the house they were planning to buy but, it would not be enough to find out if the location was just important or insignificant before they decided to invest the house. The reason for this was to find sub-factors under the name of location before make a decision to invest in the residential.

When they were asked to describe the specifications of the real estate regarding the area they would buy from the interviews, many different answers came to the question. Many of the interviews said that the house they were considering buying should be close to the city centre. For example, respondent 'H' said:

*"It must be close to the city center, but even if it is not possible, it must be
 RQDIH7UHHWDZIBPWKHFVWFHWDORD3FD n not accept
 that the location of the house is far from the city center."*

Respondent H

Another respondent of the reseach, Respondent 'A' answered with reasons:

*"The house I intend to buy must be close to the city center. This is because,
 as you know, the places and amenities we need are usually located in the
 city center. Because I am an active person all the time, if the house I intend
 to buy is located in the city center, I will cut my expenses for the way I spend
 to go to these amenities."*

Respondent A

Participant 'O' when she asked do you have any specifications regarding the area where you would want to buy ? She answered with determination:

*" The house I intend to buy must be very close to the city center. I also have
 a little kid, so he must be close to the hospital. If the location of the house I
 want to buy does not have these features, even if I like the house I want to
 buy very much, I do not buy."*

Respondent O

Some of the interviewees said that the house he was planning to buy should only be close to the city centre, while others said that it should be close to schools because they have children. For example, participant 'S' said:

*"Because I have children, the house I intend to buy must be close to
 schools."*

Respondent S

Some of the other interviewees mentioned that the house they were planning to buy has to be very close to various amenities. Respondent 'G':

"The house I will buy should be close to shopping malls, main street, and places where I can meet my basic needs such as pharmacies. In short, I have to be close to everything I need in the day."

Respondent G

And respondent 'T' said:

~~KKRM, DQWREKWEHFORMWRWKHPDNHWDQRSDQPM~~

also be close to the sea."

Respondent T

On the other hand, some of the interviewees expressed that the location of the house they would like to buy is not very important. Some wanted to be close to the main road for the location of the house they were planning to buy. Some of them wanted the house to be especially far from the city center before deciding on the house they were planning to buy. On the other hand, some of the interviewees. For example, respondent 'U' said:

"The location of the house I will buy must be far from the city center. As a person who loves quiet and calm, I care about comfort where I live. Therefore, since I believe that I cannot find this peace in the city center, I do not need to be close to the city center or shopping malls of the house I would like to buy."

Respondent U

Interviewees were asked whether they would consider their mandatory needs or their arbitrary needs before deciding on the location of the house they would invest in. The reason for this was to make sure that the respondents' responses were consistent and to understand the impact of the location factor on the participants' home purchase decisions.

From the interviewees with regard to this question received many answers on a larger scale than expected. The majority of interviewees said this question

was based on the mandatory requirements as anticipated. For example, the respondent 'P' said:

"Before I decided on the property I would buy, I would definitely consider my mandatory requirements and accordingly make the decision."

Respondent P

On the other hand, the same number of participants said they would decide on both their mandatory needs and their arbitrary needs before deciding on the house they would buy. For example, the participant 'S', he said:

"I can not answer this question for myself only because I have two girls. Therefore, I would choose a home, taking into account the mandatory needs of my children and my own arbitrary needs. So my answer would be half."

Respondent S

And the respondent 'E' explaining like this:

%HIRUH,GHFLGHGWRLQYHVWDKRXVH,ZRXOGWUWREDODQFHP\ mandatory and arbitrary needs by fifty percent. Because before investing in a house for me, my enjoyment is as important as my mandatory needs."

Respondent E

A few of the interviewees said they would decide according to their arbitrary needs when determining their decision before buying a house. For example, participant 'K':

" Before making my investment decision, I decide according to my needs completely arbitrarily."

Respondent K

Some of the interviewees stated that before deciding to invest a residential, they would prioritize their mandatory needs when determining the location of the house they would buy, but some arbitrary needs would be important. For example, the participant 'O' said:

"I do not want to stay away from the city center when determining the location of the house I want to buy, but I also want to be close to nature. Therefore, seventy-five percent of my mandatory needs and twenty-five percent of my arbitrary needs will affect my decision."

Respondent O

Some interviewees in an unexpected way, while deciding on the location of the house they would buy, conveyed that their mandatory needs are important for the moment, but that they will decide according to their purely arbitrary needs when they retire. Respondent 'N' said:

"When I was deciding on the location of the house I was going to buy, I would now decide on my mandatory requirements. But I would go to my

DEWDQHQWHDG

Respondent N

In summary when we combine all these results, we can understand that the location factor has a huge impact on investing in the home. According to the answers, the majority of the participants stated that it is very important to be close to the transportation centers and the city center when describing the location of the house to which they are going to invest. These features have been followed by market and shopping centers. Some less important options are places such as schools, work places and hospitals. In addition, some participants said that they would determine this decision according to their mandatory requirements before deciding on the location of the house they would invest. And some part of interviewees said they wanted to balance their compulsory and arbitrary needs equally. Couple of them have said that they will determine the location of the house they will buy according to their arbitrary needs now or when they retire.

4.3. Importance of Neighborhood

In this section, the interviewees were asked questions related to the effect of the buying decisions of the neighborhood where the house is located before deciding on the house to which they are going to invest. For those who participated in the interview, it was wanted to be understood how the neighborhood factor had an impact on the purchase decisions. In addition, in order to better understand the effect of the neighborhood factor on the purchase decision, participants were asked to describe the neighborhood where the house they want to buy is located. In addition, the interviewees were asked whether they would prefer the neighborhood to be settled families or foreigners.

The interviewees were asked whether the neighborhood factor would have an impact on their home investment. The majority of interviewees stated that the neighborhood where the house they are considering investing is important. For example, the participant 'G' said:

"Before I decide to buy a house, I consider the neighborhood of the property. The neighborhood of the house is important to me and has an impact on my decision."

Respondent G

On the other hand, very few of the interviewed people expressed that the real estate they would invest in had no impact on the decisions of the neighborhood where the house is located. Respondent 'E' said that:

"The neighborhood of the house which I would invest would not have much influence on my purchase decision. I would not care about the neighborhood residents."

Respondent E

and respondent 'K' said:

"The neighborhood of the residential which I would invest would have no impact on my purchase decision. That is because I do not want to make friends with people living in the neighborhood."

Respondent K

Also the respondent 'L' said:

"The neighborhood of the house which I would invest would not affect my purchase decision too much. I would not want to live in a crowded neighborhood. I would like to live in a neighborhood where I can relax, where no one is involved."

Respondent L

Then, the interviewees were asked to describe or explain the neighborhood where they would invest. Almost half of the participants who participated in the interview said that they preferred the neighborhood where they would invest to be an elite neighborhood, that they wanted people living in the neighborhood to be people who have similar lifestyle and that they cared very much about neighborhood relations. For example, respondent 'A' said:

"We have a very good neighborhood where I live. I prefer the income level of the people living in the neighborhood of the house where I'm going to invest."

Neighbourliness is very important to me in the neighborhood where I live. I prefer the income level of the people living in the neighborhood of the house where I'm going to invest."

Respondent A

And the respondent 'J' said that:

"I want to live in a neighborhood where I can find a good environment and a respectable environment of the neighborhood where I will invest."

and a respectable environment of the neighborhood where I will invest."

and added:

"I want to live in a beautiful neighborhood. The class of living people must be high. The neighborhood must be a beautiful neighborhood. The class of living people must be high. The neighborhood must be a beautiful neighborhood."

Respondent J

On the other hand Respondent 'B' explained his perception of neighborhood like:

"I would want to invest in the decision to make the house in the neighborhood where the house should not be far from each other. That is because I care about close neighbor relationships. There must be unity in the place where it is lived. Also I need to know who the people living around me are. "

Respondent B

According to the explanations of these respondents, the interviewees are very important to their neighbourly relations and they want to live with people who have a similar lifestyle.

Some interviewees thought the neighborhood where they would invest would be a safe neighborhood. Respondent 'G' said:

~~KHQLKRRRIWKHKRMZHH,DOHVKRØGHDDIH~~
neighborhood. The place where I live should not be in a place we can call
unsafe between the streets."

Respondent G

and as close to it the respondent 'F' said:

~~7KHQHLJKERUKRRGRIWKHKRXVHZKHUH,ZLOOLQYHVWVKRXOGEHDVDI~~
neighborhood. There must be a reception or security in the site or apartment
~~ZHØWKHKRMØDRFDWHG~~

Respondent F

Moreover, the interviewees were asked whether they would prefer the people living in the neighborhood where they would invest, whether they would prefer the foreigners or the settled families. Some of the interviewees said they would prefer the neighborhood where they would invest, consisting of settled families. Some of interviewees went into detail, choosing a neighborhood where settled

families lived, assuming that other people living in the neighborhood would be quiet, because they live a quiet life style. For example, the respondent 'U' said:

"The people living in the neighborhood of the house where I will invest should consist of settled families. Because I live a quiet, decent life myself, I prefer people living around me to be people in a similar way of life."

Respondent U

Again, some of these people chose a neighborhood where settled families live. Because they attach importance to neighbourly relations, and because they think that noise is low in neighborhoods where settled families live. As an example, the respondent 'N' said:

"Neighbourly relations are important. People living in the neighborhood I live in must be families. I would rather have families that fit my mind. Otherwise, I would be disturbed by the loud music noise coming in late at night."

Respondent N

Some Interviewees which prefer settled families say that people who live in this neighbourhood prefer to be from families because they want the neighborhood where they will invest to be safe and suitable for their children. The participant 'O' said:

"I would rather have families who live in the neighborhood where I am going to invest. That is because I care about Neighborhood Relations first. I want my child to grow up in an environment where settled families and especially families with children are living. This is only possible in such a place."

Respondent O

and respondent 'G' explained the reason why she wants a neighborhood with settled families like this:

~~KEHFDMRIWKHMDEKIRMFNISHRSOHO~~ the
neighborhood are settled families, I think the problems will be minimized."

Respondent G

Some of the other participants said that people living in the neighborhood of the house where they would invest had no impact on the purchase decision, while others said they would prefer buying a house from a neighborhood where foreigners live. As an example, the participant 'L' said:

"I don not like neighbourly relations much. That is why I would prefer strangers not to be too close to people living in the neighborhood where I am going to buy the house."

Respondent L

On the other hand, the participant 'P' said:

"If the neighborhood of the house which I will invest is quiet and safe, and it does not matter who lives in there for me."

Respondent P

Just one participant which is respondent 'B' said:

"People living in the neighborhood where I am going to invest should be mixed"

Respondent B

he said he liked diversity.

As for the neighborhood factor, if we summarize the responses of the interviewees about the neighborhood's affect on the purchase decisions of the neighborhood in which they will invest, although not as strong as the location factor, the neighborhood factor can still be assumed to be a relatively influential factor in the buying decisions of the investors, according to the direct or indirect asnwers from interviewees.

4.4. Structural Attributes

In this subject, the interviewees were asked whether the structural properties of the real estate affected the decisions in the decision making process of the real estate to which they would invest. In addition, in order to examine the subject in a little more depth, participants were asked if they had any specific

structural requirements for the house they would consider to purchase. In this way, it is aimed to determine the impact of the structural properties of the real estate to be invested on the investor's purchase decision.

First of all, the interviewees were asked if you would consider the structural characteristics of the house during the decision-making process of the real estate they would invest in. About this factor, major of interviewees expressed that the structural characteristics of the residence would influence their purchase decision and they directly started to explain about their needs of structural attributes. As the first example of them, respondent 'S' said:

"The structural properties of the real estate I would consider to buy has a great impact on my purchase decision. The property must be large and wide. It should has a separate kitchen and should be a useful home. It has to be heated from the ground and central heating and cooling system needs to be. In addition, the house needs to be built in accordance with earthquake resistance standards."

Respondent S

And the respondent 'G' expressed:

7KHVWUXFWXUDOSURSHUWLHVRIWKHUHDOHVWDWHWKDW,LQWHQGWRE purchase decision. The real estate I intend to invest in should be insulation. It should have a balcony and it should also be a handy home."

Respondent G

And the respondent "A" as if he knew that he was going to be asked this question:

"It certainly would have affected, at least as much as the location factor."

Respondent A

An interviewee expressed that the structural attributes of the property she would invest, would not affect her purchase decision. Respondent 'M' said:

"If I find the peace at the residential I consider I am going to buy, I do not look for any structural features."

Respondent M

Later, in order to get a little more detailed answers about structural factors, interviewees were asked if they had any specific structural requirements for the house they were considering investing in. From the interviewees, there have been several answers to this question. These are; the property to be purchased new and useful, with a large balcony or garden, earthquake resistance insurance, large square meters, parent bathroom, parking lot, separate kitchen, the front of the house, insulation, materials quality. Most of the interviewees answered this question by saying "balcony". Respondent 'G' said:

"Balcony. I would not want to spend time at home all the time. And I do not have a dryer, so I hang my laundry on the rope. Also, as you know, the weather in Northern Cyprus is very hot in the summer and we have a chance to cool off on the balcony. for all these reasons the balcony is a must."

Respondent G

Respondent 'B' said:

30/ he construction of the house I intend to buy, gas concrete system
0DWER0R0EHMG

Respondent B

And respondent 'A' said:

7KHNLWFKHBIWKHKRM,206R0UWER0WEHDMSDDWHDQ
wide kitchen. There must be an island in the kitchen. Because I like to cook a lot and spend most of my day in the kitchen, the size of the kitchen is a must for me."

Respondent A

On the other hand, some interviewees, even though they responded the question that the structural characteristics of the house they would consider buying were important. However, they expressed that they would not have any particular structural characteristics. In relation to this respondent 'F' said:

3ZRXOGQRWKDYHDQVSHFLDOVWUXFWXUDOUHTXLUHPHQV

Respondent F

With regard to the real estate question to be invested, major of interviewees said they would influence the purchasing decisions of the structural characteristics of the house they would consider buying. Only one interviewee said structural features would have no impact on the purchase decision. On the question whether there would be a specific structural property requests related to the real estate to be invested, some interviewees listed various specific structural property requirements. Only five interviewees said that there would be no structural property requests, in particular. Based on the questions asked by the interviewees regarding structural features, we can determine that structural features will have a very high impact on the purchasing decision of the interviewees.

4.5. Price

In this part of the study, the price subject was processed. Interviewees were asked how the price of the real estate they would invest could affect the purchase decisions. In addition, a question was asked about the effect of the purchase decision on the maintenance costs of the site or apartment where the real estate is to be purchased. Thus, the impact of the price factor on the investor's purchase decision to a home has been examined.

Most of the interviewees expressed that the price of the house that they intend to purchase had a direct impact on the purchase decisions. For example, respondent 'E' expressed:

"The price factor would be the most influential factor in my buying decision for the house I am going to invest in."

Respondent E

Similarly, the respondent 'G' said:

"It has a lot of impact. I can even say that the price of the house I am going to invest in affects my purchase decision one hundred percent. Before investing in a house, I look at the price first at the stage of the purchase decision."

Respondent G

On the other hand, there were interviewees who said that before investing in a house, they would look at the price of the house they would invest in, but if they liked the house, they would force their budget in some way. As an example, the respondent 'P' said:

"Before investing in a house, the price of the house will of course affect my decision. It is important that the house I intend to invest in is in line with my budget. From here, I can say that the price factor will affect my decision. But on the other hand, if I like the house, I will make every effort to buy it. If I liked the house, the price factor would be slightly less effective."

Respondent P

The participant 'N' said:

"Even though I would look at the price of the house before investing, if I liked the house, I would push my budget. I could have thought of getting a house loan from the bank if I had to. Therefore, the price factor would have less impact on my decision to buy than other factors."

Respondent N

As can be understood from these statements, some of the interviewees said that although they would take the price of the house relatively into consideration, they would use the opportunity to buy the house and the price factor would have less impact on the purchase decisions.

Some participants said the price factor would have a 50/50 impact on purchasing decisions. Some interviewees said the price factor would have a 50/50 impact on purchasing decisions. For example, the respondent 'B' said:

"the price could be the second factor affecting my decision to buy the house I'm going to invest in. More precisely, the price would be the second question I'd ask about the house I'd consider buying. So the price of the House would be forty-five or fifty pounds."

Respondent B

The remaining few interviewees expressed that the price factor would not have an impact on the purchase decisions. For example, the participant 'R' said:

"If I like it, I will buy it. So the price of the house, which was my idea of buying, would not affect my decision to buy."

Respondent R

Later, the interviewees were asked how the maintenance costs of the house they would like to invest would have an impact on the purchase decisions, with the idea of reaching more detailed results related to the price factor. The majority of respondents said it would have no impact on purchasing decisions, but very few said it would have an impact on purchasing decisions. Some said that the maintenance fee they will pay will not affect purchasing decisions as long as it is worth the service they receive.

The question of how maintenance fees of the house you will consider to buy would affect your purchasing decision, respondent 'A' he answered:

"For the house I would like to live, I would not care about how much money the maintenance fee is. Therefore, it would have no effect on my purchase decision."

Respondent A

Many interviewees answered similar responses like the respondent 'A' s response. Similarly, some respondents gave the same answers, like other respondents, who said that the maintenance costs of the house they would consider to invest would not affect the purchase decisions. But they expressed it on a condition. For example, the participant 'T' said:

"If the service that I receive is worth the maintenance fee I would pay for the house I would consider buying, maintenance fees would not affect my

~~SEKDMBFRQ~~

Respondent T

Very few interviewees expressed that the high maintenance costs of the house they would buy would affect the purchasing decisions. For example, the participant 'U' said:

"I would not want to pay a very high price of maintenance fee."

Respondent U

And for example, the respondent 'P' said:

" If the maintenance costs of the house I want to buy are expensive, I would stop buying the house, because I will not accept a very high price

~~PDWHQHIHH'~~

Respondent P

When we look at the responses received from interviewees related to the effect of the price factor on the purchase decision, some respondents expressed that maintenance fees had no effect on home purchase decisions. However, four of these respondents gave this response on the condition that the service they will receive is worth the maintenance fee they will pay. The remaining participants stated that maintenance costs would have an impact on purchasing decisions if the price was expensive.

In general, based on questions asked by interviewees about the price factor, yes, the price factor affects the investor's decision to buy. However, we can say that the level of this effect may remain below one level in other factors. Also when it comes to price factor, we can say that; one of the reasons underlying the responses received from some participants is that the investors responds according to the purchasing power.

CHAPTER 5

FINDINGS AND DISCUSSION

5.0. Introduction

This section discusses the results of this research. In this part the outcomes from the research are not only argued but also used to test the hypotheses and to get answer for the research questions. Generally, qualitative studies do not use models, previous literature. The reason for this is because it is hard to test hypotheses using the qualitative method. It is nevertheless allowed to have a hypothesis if the study promises to answer these hypotheses. This research hence select the abductive research design of using former literature and theory and then adding the result of the research to existing literature.

Summary of the findings

5.1. Summary of the results

5.2. Testing the hypotheses

This part argues the hypotheses of this study and how the outcomes were used to test them.

5.2.1. The location where the investment takes place

The first hypotheses for this study was, Locational factors affect the investor choices in buying real estate in North Cyprus. From the interview, in general, seven-teen of interviewees said that the location factor for real estate investments would have a big impact, while three of them did not see this factor

very important and decisive. According to the answers, the majority of the participants stated that it is very important to be close to the transportation centers and the city center when describing the location of the house to which they are going to invest. These features have been followed by market and shopping centers. Some less important options are places such as schools, work places and hospitals. In addition, seven of the participants said that they would determine this decision according to their mandatory requirements before deciding on the location of the house they would invest. Another part of the seven people said they wanted to balance their compulsory and arbitrary needs equally. Couple of them have said that they will determine the location of the house they will buy according to their arbitrary needs now or when they retire. As a result, in the light of interviewees' responses, for the locational factor, the majority of respondents indicated that the location factor would influence their investment decisions and this finding was supported by the sub-questions asked. From the interview results, we can say that the first hypothesis (**H1**) of this research which is the location factors affect the investor selections in purchasing real estate in North Cyprus was supported. In addition, the first research question (**RQ1**) was answered.

5.2.2. Importance of Neighborhood

The first hypothesis for this study was, neighborhood factors affect the investor choices in buying real estate in North Cyprus. The majority of interviewees meaning six-teen of them stated that the neighborhood where the house they are considering investing is important. Very few of the interviewed respondents which is four of them expressed that the real estate they would invest in had no impact on the decisions of the neighborhood where the house is located. As for the neighborhood factor, if we summarize the responses of the interviewees about the neighborhood's affect on the purchase decisions of the neighborhood in which they will invest, although not as strong as the location factor, the neighborhood factor can still be assumed to be a relatively influential factor in the buying decisions of the investors, according to the direct or indirect answers from interviewees. From the interview results, we can assume that the second hypothesis (**H2**) of this research which is the neighborhood factors affect the investor selections in purchasing real estate in

North Cyprus was supported. With that result, the second research question (**RQ2**) was answered.

5.2.3. Structural Attributes

The third hypothesis for this study was, structural factors affect the investor choices in buying real estate in North Cyprus. With regard to the real estate question to be invested, nineteen interviewees said they would influence the purchasing decisions of the structural characteristics of the house they would consider buying. Only one interviewee said structural features would have no impact on the purchase decision. On the question whether there would be a specific structural property requests related to the real estate to be invested, fifteen interviewees listed various specific structural property requirements. Only five interviewees said that there would be no structural property requests, in particular. Based on the questions asked by the interviewees regarding structural features, we can determine that structural features will have a very high impact on the purchasing decision of the interviewees. According the interview results, we can assume that the third hypothesis (**H3**) of this research which is the neighborhood factors affect the investor selections in purchasing real estate in North Cyprus was supported. With that result, the third research question (**RQ3**) was answered.

5.2.4. Price

The forth and the last hypothesis for this study was, price factors affect the investor choices in buying real estate in North Cyprus. According to the interviewees four-teen of the respondents expressed that the the price factor of the house they would consider to buy has hundred percent affect on their purchase decision and the three of the respondents said price factor has fifty percent affect on theri decision. Only three of the respondents expressed that the price of the house they consider to buy has zero affect on their investment decision. When we look at the responses received from interviewees related to the effect of the maintenance fee on the purchase decision, seventeen out of twenty respondents expressed that maintenance fees had no effect on home purchase decisions. However, four of these seventeen respondents

gave this response on the condition that the service they will receive is worth the maintenance fee they will pay. The remaining three participants stated that maintenance costs would have an impact on purchasing decisions if the price was expensive.

In general, based on questions asked by interviewees about the price factor, yes, the price factor affects the investor's decision to buy. However, we can say that the level of this effect may remain below one level in other factors. Also when it comes to price factor, we can say that; one of the reasons underlying the responses received from some participants is that the investors responds according to the purchasing power. . According the interview results, we can assume that the third hypothesis (**H4**) of this research which is the price factors affect the investor selections in purchasing real estate in North Cyprus was supported. With that result, the third research question (**RQ4**) was answered.

CHAPTER 6

CONCLUSION

6.0. Introduction

This is the last chapter of this study and it concludes on the outcomes of this research. The limitations of this study and the recommendations for future study is also included in this section.

6.1. Practical Implications

The outcomes of this study is very important for the investors, developers, and fort he other researchers aswell. The wide explanation implications are below.

6.2. Limitation of the Study

The first limitation for this study is sample size. The number of participants for the interview was twenty people. Despite the researcher took steps to get a bigger range of individuals from different lifestyles, nationalities, occupations and the sample size is still insufficient to generalize for the whole population. Thus, this study cannot be generalized to the all population.

Next limitation to this research is the method of study which is qualitative. Qualitative method of study is generally biased to the researcher and the reason for this the researcher plays the role of the study tool, information analyst and other functions that a quantitative method uses standardized and software systems to analyse. This decreases the reliability of the study.

And the last limitation is, the minor amount of study will be done in the property business in the context of North Cyprus. There are very little examination directed in the property business and it is giving hard times for reseachers to discover sufficient items as there are just few researchers done in North Cyprus. In this way, absence of past investigations does not give enough data and better discoveries.

6.3. Recommendation of the Future Researchers

With this study, researchers will be able to test the different factors that affect the decision stage of property investors by monitoring the factors and influences mentioned in this research.

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APPENDIX I

INTERVIEW GUIDE

1.How important is the location of the property you want to buy is for you?

1a. Do you have any specifications regarding the area where you would want to buy?

1b. Do you prioritize your arbitrary or mandatory needs when determining the region where the property you want to buy is located?

2.Does the neighborhood where the property you want to buy have an impact on your purchase decision?

2a. If so, how would you describe the neighborhood where you buy the house you plan to purchase?

2b. Before you decide on the home you will consider to buy, do you choose your home from a place where there are foreigners, or from a place with settled families?

3. Do you consider the structural attributes of the house you will purchase before you decide to buy?

3a. Would you have any special requirements for the property that you are going to buy?

4. What is the effect of the house price on your purchase decision?

4a. Are the maintenance fee of the house you consider to buy is a decisive factor for you?

APPENDIX II

NEAR EAST UNIVERSITY

GRADUATE SCHOOL OF SOCIAL SCIENCES -MARKETING

DEPARTMENT

MASTER'S PROGRAMME, 2019

Interview Consent Form

Dear Participant; this research was conducted by Gurkan Arslan, a graduate student at NEU Marketing Department. It is conducted within the context of master thesis under the supervision of Dr. Karen Howells. This form is intended to inform you about the research conditions.

The purpose of this research

The general aim of this research is to know how Locational, Neighborhood, Price factors and Structural Attributes effect Purchase Decision of Investors in North Cyprus.

What is requested in this research?

With your permission, you will be asked to participate in an interview. The interview consists of a series of questions pertaining to the purpose of this research. You are required to share your opinions on the topic. Your earnest response to the interview questions would be of great importance to this research. If you find it acceptable, the interviewer would like to take notes in the course of the interview.

How will we use the information we collect from you?

Your participation in the research should be entirely voluntary. In this study, you are not required to identify any identity or institution. Your answers will be kept strictly confidential and will only be evaluated by the researcher. The information to be obtained from the participants will be evaluated collectively.

What you should know about your participation?

The interview does not include questions or practices that may cause personal discomfort in general. However, if you feel uncomfortable for questions or any other reason during participation, you are free to leave the interview in the middle. In such a case, it is sufficient to say that you want to leave the interview to the researcher.

Duration and anticipated risks

The duration of this interview is approximately 25 minutes and there are no anticipated risks associated with the interview.

Agreement: I have read through the consent form and I understand the purpose of this research. I understand that I would not be held to any penalty if I withdraw at any time before the research is finalized. I hereby agree to participate in this research.

Signature:

Date:

Name :

APPENDIX III

SAMPLES OF INTERVIEW REPORT

Interview 1

Name: Participant A

Gender: Male

Interviewer: How important is the location of the property you want to buy is for you?

Interviewee: *It is very important for me.*

Interviewer: Do you have any specifications regarding the area where you would want to buy?

Interviewee: *The house I intend to buy must be close to the city center. This is because, as you know, the places and amenities we need are usually*

located in the city center. Because I am an active person all the time, if the house I intend to buy is located in the city center, I will cut my expenses for the way I spend to go to these amenities

Interviewer: Do you prioritize your arbitrary or mandatory needs when determining the region where the property you want to buy is located?

Interviewee: *I would make my decision according to my arbitrary needs. However, when I retire, I would make my decision only my mandatory needs.*

Interviewer: Does the neighborhood where the property you want to buy have an impact on your purchase decision?

Interviewee: *Of course.*

Interviewer: If so, how would you describe the neighborhood where you buy the house you plan to purchase?

Interviewee: *:HKDMDDWWWWKWKERWKHWKDKWKHWW
KRM1HKERDDMMESRWDDWRPHDKHKKERKRRKHH,
live. I prefer the income level of the people living in the neighborhood of the house where I'm going to invest.*

Interviewer: Before you decide on the home you will consider to buy, do you choose your home from a place where there are foreigners, or from a place with settled families?

Interviewee: *It has to be families. Therefore the noise and security problems will be reduced.*

Interviewer: Do you consider the structural attributes of the house you will purchase before you decide to buy?

Interviewee: *It certainly would have affected, at least as much as the location factor.*

Interviewer: Would you have any special requirements for the property that you are going to buy?

Interviewee: *The kitchen of the house I would consider to buy must be a separate and wide kitchen. There must be an island in the kitchen. Because I like to cook a lot and spend most of my day in the kitchen, the size of the kitchen is a must for me.*

Interviewer: What is the effect of the house price on your purchase decision?

Interviewee: *It would highly effect my decision.*

Interviewer: Are the maintenance fee of the house you consider to buy is a decisive factor for you?

Interviewee: *For the house I would like to live, I would not care about how much money the maintenance fee is. Therefore, it would have no effect on my purchase decision.*

ETHICAL APPROVAL



YAKIN DOĞU ÜNİVERSİTESİ

BİLİMSEL ARAŞTIRMALAR ETİK KURULU

06.05.2019

Sayın Gürkan Arslan

Bilimsel Araştırmalar Etik Kurulu'na yapmış olduğunuz YDÜ/SB/2019/430 proje numaralı ve **“Factors Affecting Inverstors’ Buying Decision In Real Estate Market In Northern Cyprus”** başlıklı proje önerisi kurulumuzca değerlendirilmiş olup, aşağıdaki öneri dikkate alınmak üzere, etik olarak uygun bulunmuştur. Bu yazı ile birlikte, başvuru formunuzda belirttiğiniz bilgilerin dışına çıkmamak suretiyle araştırmaya başlayabilirsiniz.

- Kendi oluşturduğu sorularla ilgili alan uzman görüşü eklensin

Doçent Doktor Direnç Kanol

Bilimsel Araştırmalar Etik Kurulu Raportörü

Not: Eğer bir kuruma resmi bir kabul yazısı sunmak istiyorsanız, Yakın Doğu Üniversitesi Bilimsel Araştırmalar Etik Kurulu'na bu yazı ile başvurup, kurulun başkanının imzasını taşıyan resmi bir yazı temin edebilirsiniz.

FACTORS AFFECTING INVESTORS' BUYING DECISION IN REAL ESTATE MARKET IN NORTHERN CYPRUS

ORIGINALITY REPORT

19%	15%	5%	13%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	www.researchgate.net Internet Source	3%
2	journals.sjp.ac.lk Internet Source	3%
3	Submitted to University of Wolverhampton Student Paper	1%
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8	Submitted to Asia Pacific University College of Technology and Innovation (UCTI) Student Paper	1%