

**Factors Influencing Purchase of Pre-owned home from  
estate market place in North Cyprus –An Empirical  
Study**

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## ABSTRACT

This thesis examines 25 important factors, about pre-owned home selection criteria, in North Cyprus estate market (construction sector) empirically. Totally, 178 respondents, dwelling at various areas, are participated in this survey. Descriptive analyses by means of computing mean scores, one-sided t-test, as well as ANOVA analysis are conducted, to investigate and compare the pre-owned home selection criteria.

The Results display that warranty offered is satisfactory, safety futures and facilities, such as central heating and cooling are the most important factors influencing on pre-owned home selection criteria, whilst historical value of home, swimming pool, garage door opener and door bells are the least significant factors.

The results, which are based on gender and age, also reveal that construction company name warranty offered is satisfactory, location, and promotional offer are statistically significant and have the highest influences on pre-owned home selection criteria. However, current advertising effect, plumbing system and crime rate is low in the area, having less impact on pre-owned home selection criteria.

**Keywords:** pre-owned home selection factors, estate market place, construction sector, t-test, ANOVA analysis, North Cyprus economy.

## ÖZ

Bu tez ikinci-el ev satın alma faktörlerini kullanarak Kuzey Kıbrıs inşaat sektöründeki önemini inceler. Ev piyasasının da (İnşaat sektöründe) 178 kişiyi hedef alınmıştır. Ortalama değerler, t değerleri ve ANOVA analizi hesaplanarak bu faktörlerin burada yaşayan kişiler üzerindeki etkisi mukayese edilmiştir.

Ampirik Sonuçlar genel olarak garanti belgesi, merkezi ısıtma ve soğutma ve güvenlik kriterleri en önemli nedenlerinden olduğunu göstermektedir. Bir evin tarihsel değeri, yüzme havuzu ve garaj gibi faktörler en az etkileyen nedenlerinden olduğunu ampirik olarak ortaya koymaktadır.

Yaş ve cinsiyet üzerinden yapılan analizlerde tam olarak etkileyen faktörler ise garanti belgesi, konum, ve satış promosyonlarının etkisi olarak tespit ediliyor. Buna ilaveten, reklamın etkisi, su tesisatları gibi faaliyetler ile cürüm oranı çok az etkileyen faktörlerdendir.

**Keywords:** İkinci-el ev satın alma kriterleri, Ev piyasası, inşaat sektörü, t-testi, ANOVA analizi, Kuzey Kıbrıs Ekonomisi.

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*To my dear mom and dad,*

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# Chapter 1

## INTRODUCTION

### 1.1 Introduction

Buying a pre-owned house is one of the most significant economic decisions that people make. It also requires gathering a lot of information regarding its features (Kiefer, 2007). The role of advertisement, promotion and marketing are the key factors in the success of any businesses. This study concentrates on the factors that affect purchasing of pre-owned dwelling premises. This kind of studies has not much been investigated in the North Cyprus, especially in the real estate market. Therefore, this topic has been chosen, in order to conduct a research about important factors on pre own dwelling premises criteria.

### 1.2 Aim of the Study

This thesis examines 25 important factors, about pre-owned home selection criteria, in North Cyprus estate market place (construction sector) empirically, by means of different statistical techniques.

### 1.3 Methodology and Data Collection

Designing a research questionnaire makes researchers analyze and find the important factors, affecting the target subject of an investigation. Diverse sources were employed to improve the questions of the survey's questionnaire form. These questions are based on demographic variables and factor of pre-owned home selection criteria, which are examined within this study. First part is some general information about respondents including their gender, age, monthly income, job

situation, educational level, nationality, family size and background, and their occupations. The second part of questionnaire consists of 25 questions about pre-owned home selection factors. A five-point Likert Scale ranging from 1 “Not Important at all = 1” to Very Important = 5” was conducted, to measure 25 items of importance factors for pre-owned home selection criteria in the survey.

Having collected all questionnaires, different statistical methods are conducted on answering all questions for the case. In such data analysis, important information, including table of frequency, standard deviation and mean table are prepared by the software, and all the questions were run and analyzed, separately. In addition, the study results were made more constructive and beneficial by conducting one sample t-test and one-way ANOVA analyses on 25 questions.

#### **1.4 Findings of Thesis**

The findings of this thesis can be summarized as such: warranty offered is satisfactory, safety features and facilities such as central heating and cooling are the most important factors on pre-owned home selection criteria. On the other hand, factors such as historical value of home, swimming pool and garage door opener are the least significant factors. The results based on gender and age also reveal that construction company name warranty offered is satisfactory. Location and promotional offer are statistically, significant and have the highest influences on pre-owned home selection criteria.

#### **1.5 Structure of the Study**

This thesis is organized as follows: Chapter 1 is introductory part. In chapter 2 a comprehensive literature review on pre-owned factor in selecting houses is reviewed. Chapter 3 contains an overview on the construction sector in the North Cyprus

economy. In Chapter 4, Data and methodology are used. Chapter 5 presents empirical results and in chapter 6, concluding remarks are presented. Finally, chapter 7 gives some recommendations and suggestions for further studies.

## **Chapter 2**

### **LITERATURE REVIEW**

Real estate industry has played pivotal role in creating hazardous effects on environment. Many countries are converging on environment friendly ideas like green housing.

The factors influencing the intent of Thai consumers towards buying green housing were studied in a study in 2012. In this study, data collection was done by means of an online survey in 2011. The survey consisted of 200 samples, satisfying criteria of respondents aged between 18 years over and bachelor's degree at least. Statistical tools relied upon, were factor analysis & multiple regression analysis. It has been hypothesized that, there are six independent paradigms influencing the intent to buy green housing constructively.

Those spearheading paradigms are – “economic factors”, “subjective norm”, “perceived behavioral control”, “environmentally conscious behavior”, “and attitude toward behavior” and “government role”.

These assumed factors are independent, statistically significant, paradigms in explaining the intent of consumer into buying a green house. It is observed that a subjective norm has the greatest influence and environmentally conscious behavior has least effect. These findings can be used to stimulate sale of green housing by real

estate entrepreneurs, so as to check the environmental contamination and hence the global warming. Real estate industry can cause detrimental effects on environment, right from the inception to entire life cycle of the project. The daily energy requirements of consumer can put stress of environment, and hence the idea of green housing, where the housing development process is eco-friendly, is emerging trend in some countries like US & Australia.

In Thailand, the concept of green housing is not widely known because developers are uncertain about the demand of green housing. The picture of green housing is still obscure, including the important factors affecting the decision making to opt for green housing and purchasing process.

Hence, this study aims to clarify about those factors affecting consumer decision making process. Real estate developers can strategize their marketing process based on six independent constructs to encourage Thai customers to buy green housing. Since the real estate purchasing process is inclusive, generally involving all family members. Marketers need to create attractive image to stimulate interest of all family members in recognizing the importance of living in an eco-friendly house which is also energy efficient. It probably pacifies the effect from global warming too. By educating consumers on the merits of green housing, it is not difficult for real estate developers to influence the purchase decision in favor of green housing. In this study it is observed that factors such as, economic reasons & government motivation has more profound impact than intent to purchase eco-friendly housing, therefore these influencing factors.

The developers can keep a tab on rules and government support in favor of green housing to gain competitive edge in real estate industry (Numraktrakul, Ngarmyarn, & Panichpathom, 2013 ).

Another investigation was focused on factors influencing consumer behavior (Stávková, Stejskal, & Toufarová, 2008). The main objective of this article is to understand the degree of consumer's involvement and its connection between factors influencing purchase decisions. Consumption overheads are intentionally subdivided according to grouping made by Statistical Office of the European Communities.

The survey executed, pointed out to the fact that the most important, gravitating factor of all commodity groups is product's characteristics and perceived quality.

Collectively with these features the factor price, however for example the price of commodity group health did not appear in scale of the perceived importance at all.

Of all the commodities, factors necessity of need, with the exception of alcoholic drinks, tobacco and recreation, proved to be noteworthy. Prior experience as compared to clothing, footwear, housing equipment's and contents is not crucial.

For alcoholic beverages & tobacco, there is remarkably approved factor brand. These evaluations decipher the rules of consumer decision making and determine, which factors for individual commodities should be targeted by the market leaders or where the measured changes should be achieved.

The analysis of results of the survey and following data processing indicated that the most important factors for all commodities are product's characteristics and the quality of the product.

Importance of price goes alongside with these factors, even though it never appeared on the first place of importance, and health factor not even appeared in top 5 most considerable factors of all. Inevitability of need proved to be most significant factor for decision making for nearly all commodities purchases, with the exception of alcoholic drinks, tobacco & recreation and culture. The former experience is crucial in decision making for most of the commodities with the exception of housing equipment's, clothing, footwear and contents. And the other factors, which are proved to be significant are, design for commodities, such as clothing and footwear, furnishing and household equipment. The other factors are suggestions of relatives & friends for recreation and culture, and factor recommendation of specialists of health and medicines.

Branding is critical in case of purchasing alcoholic drinks and tobacco. The effective analysis enabled us outlining the rules for evaluation and thereby possibility to outline, which factors should be essentially targeted by marketing giants (Stávková, Stejskal, & Toufarová, 2008).

The dynamics of housing finance supply in Nigeria were investigated by Akinwunmi, 2009.



The significant factor influencing the quality and tenure of housing consumption, the overall financial portfolio of public and the stability and effectiveness of financial system is predominantly determined by Housing finance.

Sovereign government's involvement in both developed and emerging economies, by setting up regulating & segmentation institutions for amending market situation, which very often provides subsidized housing finance and is different from the rest of the financial markets. In order to divulge, underlying factors influencing housing finance in Nigeria & to assess the potential of the financial institutions to engage in long term lending, time series data from sampled Universal Money Deposit Banks (UMDBs) balance sheets between 2003 and 2007 were used.

Further mechanism in form of advances by financial institutions to gather information from Corporate Banking / Loans and Advances Managers coupled with unstructured interviews, and additional questionnaire, for sectorial allocation of loans. Consumers of housing finance at household level were surveyed by providing further questionnaire so as to validate the research findings.

It can be inferred by application of multiple regression approach, the leading force of housing finance supply in Nigeria is a cluster of factors related to reserves of the financial institutions and share capital. Emerging economies cannot wholly adopt the housing finance models of developed economies, which are mainly supported by deposit liabilities. The suggestion for implementation is that, financial institutions in emerging economies should adequately increase their capital base for effectively housing finance supply and bring together mortgage products with long-term tenure to actively muster resources for mortgage lending (Akinwunmi, 2009).

Another study scrutinizes the consumers' motivation to invest in building components, which advances energy sustainability in Bangkok and Thailand (Meier, 2012).

Purchase intention of sustainable building components is influenced by two out of three initially proposed variables. To promote building sustainability an individual's product class knowledge, beliefs, behavior and ecological attitudes plays an important role.

There was no association found between the demand for sustainability –promoting building components and time orientation, which was categorized in short –term orientation and long-term orientation.

Individuals with orientation towards long term goals were found to be more patient in terms of future reckoning, which can be epitomized as future savings.

Questionnaires were handed out at several locations in and around Bangkok and the result of data generated were analyzed. The product class knowledge and eco-friendliness are main forecasters towards someone's tendency to demand sustainable building components as suggested by quantitative findings.

In this case study, structure for predicting variables determining the intent to purchase thermal insulation components was proposed. Originally three hypotheses were proposed and out of which two were confirmed and one was rejected.

The significant predictors towards someone's tendency to demand sustainable building components are confirmed as product class knowledge and eco-friendliness, while there was no direct influence of individual time orientation (Meier, 2012).

In another investigation, a study of residential development in PT Delta Comoro Permai Dilly, have been studied.

Number of housing loan approved during the period of 1995 to 1997 suggests that the demand for low cost housing has significantly increased. Developer needs to understand the important factors influencing the decision making process of purchasing house, in order to make most effective marketing strategy. To evaluate the motivation and perception factors in behavior for purchasing home, a survey was carried out during 3<sup>rd</sup> August to 29<sup>th</sup> August 1998 on homeowners.

Developer's motto 'clean, secure, aesthetic, healthy and prosperous' is consistent with the result achieved, after examining the four main components. Physical & linkage are secondary to environment and utilities for the homebuyer. The study endorses further improvement in environment and utility domain for the new development in the future.

The customers are very content with the clean, safe and picturesque environment and also satisfied with water and electricity supply. The environment harmonizes with the development theme "BERTAISS" (clean, discipline, safe, aesthetic, healthy and prosperous). It is the onus of developer to keep up with its motto as an ultimate selling point.

In conclusion, the developer has achieved great accomplishment in fulfilling expectations of customers, predominantly in the environment and utilities components.

Environment and utility components comes before, in terms of importance over physical and linkages components, for home buyers. Expectations for better accessibility to market can be achieved by building mini markets in housing area. Since the occupants of housing are primarily young family and children. Accordingly, the developer should construct more recreational facilities for the children such as playground and sports facilities.

There are many external factors, which are excluded in this study that play critical role in buying behavior. Any changes in these factors might effect this conclusion.

The proximity to Comoro international airport, gives this project a comparative advantage, which is considered as a very important facility. As this is an independent country, with new government, with inflow of foreigners and big growth in the region, will surely come as a stimulus in buying a house (Susilawati & Anunu, 2001).

A survey consisting of 120 participants, who own an apartment, in different areas in Amman is used for determining the behavior of customers, in a case study analyses to study the key factors influencing the purchasing behavior of customer towards purchasing the apartment. One-way ANOVA, one sample test and independent sample t-test were used in hypothesizes testing.

The study suggested that there were noteworthy differences in decision making, while purchasing residential apartments according to samples' age and gender. The respondents to the survey would notably adopt main constructs while purchasing residential apartments, including economic, aesthetic, social constructs, geographic and marketing (Haddad, Judeh, Mahfuz, & Haddad, 2011).

There was considerable a difference between the responses of survey, relevant to age and there was no notable difference according to marital status or education level.

The outcome of this study is consistent with the study of Felsenthal & Diskin, 1982, in which it pointed out that there are notable differences in response of respondents due to age. This study also suggests that there is no significant difference according to the marital status or education qualification.

This study has significant practical applications for researchers and practitioners in the domain of real estate. This study can help individuals and decision makers in organizations to select suitable apartment that appropriately justifies their requirements.

The findings in this study can be used as a practical outline, when an organization or an individual has to decide on purchasing an apartment. This study also takes into account demographic characteristics, which have considerable practical applications, mainly for real estate organizations, which might affect the decision (Haddad, Judeh, Mahfuz, & Haddad, 2011).

Evaluation of factors influencing the price of housing, from supply side paradigm, has been studied and reported by Building Research Levy (Building Research Levy, 2008) . It takes into account major inputs of land, regulation, materials, labor and industry productivity is considered. There is fleeting focus on demand components, such as the level of workloads on profit levels, but the main agenda of report is to focus on the input components into new housing supply.

The task comprised of development of spreadsheet model, which classifies the cost for three different house types into resource and component categories. With the help of spreadsheet model, any changes in price of any resource for any component can be projected as a change in a new house price. The study in this report helps us in answering commonly asked questions in industry such as:

- What are the main components of new housing prices?
- What effect does the change in costs for any input (labor, materials, land and etc.) has on new house prices?
- What is the make-up of land prices?
- What role does construction industry productivity play?
- What are economies of scale in new housing supply?
- What is the potential for cost savings on the supply side?

The main findings are; the section price is the largest cost item for new detached housing, about 40% of the total package including construction and design and council fees. The raw land cost is typically about 50% of the section price and the rest is infrastructure development, developers' margin, and council fees.

Major house builders offer standard houses about 15% cheaper than the one-off designs typically provided by small-scale builders. The economy for major builders arises from a limited range of designs and materials, and discounts from bulk purchases.

Productivity in the industry is poor and technical and managerial efficiency appears to be declined in recent years. Recent skills shortages and increased compliance costs have also adversely affected productivity.

Compliance costs such as building code changes, stricter health and safety, and more consent documentation and council delays have added to new housing costs in recent years significantly, amounting to about 16% over five years.

The main scope for cost savings is more standardization of design and materials, with potential savings of about 15% compared to one-off designs.

The building blocks of new housing are land, materials and labor. The major segment is the cost of section, which amounts to 40% of total cost. If the land is near to the urban infrastructure then the cost of developing land is about \$50,000 to \$70,000 per lot of land.

Although these figures from Maltby's are based on significantly small number of samples, these are consistent with data published on section prices, allowing the raw land cost. The evaluations of Greenfield developments, which are away from existing services, are much more expensive at over \$100000 per lot excluding land cost, primarily due to the sewage treatment systems.

As subdivisions making use of prevailing water supply, waste and storm water infrastructure are able to yield from the economies of scale, but need to contribute to the expense of the base processing station via a development fee.

For urban sections, the Maltby's analysis indicates these council development charges of an average about \$7000 per lot, for urban sections. In Canterbury development fees of \$9000 and in Auckland association, the taxes are between \$6400 and \$14000 (Hutching NBR 2007).

In some councils, practice of adding additional costs (e.g. for library, cultural, recreational grounds) and some method of calculating charges is not always transparent and is unjustified as a development charge.

As pointed out by studies in Australia (Property Council of Australia, 2007), infrastructure charges many thousand dollars above the construction cost. This study does not take into account the details of intertemporal transactions for civil infrastructure, but suggests that the major reason for section price escalation is due to loading the costs upfront onto new developments, by some council.

Cost of raw land as reported by major builders is about \$50,000 to \$150,000 per lot (up to 700sqm) near major cities. Additional infrastructure development cost of about \$50,000 to \$80,000 per lot, cost levied by council is about \$10,000, developer's margin of \$10,000 to \$50,000. Depending variably on the location and circumstances the section price per lot comes out to \$120,000 to \$290,000.



Sale prices are likely to be around \$300,000 for prime sections, in the inner suburbs and in tourist areas, or larger than average sections in rural areas.

Building materials constitute of 30% of the total building cost. By and large building materials are produced locally in manufacturing plants produced in large scale. Since local market has limited size and usually limited to one or two suppliers for many materials, and given to the fact of bulky nature of materials, the regional distribution of construction materials further restricts the effectiveness of economies of scale.

Some constraint on prices is imposed by actual and potential imports (e.g. clay bricks, plasterboard, insulation, cement), but the transportation cost to import products provides some cushion to local producers. The probability of some material prices will be higher than what would be otherwise, in the case of larger markets, and homeowner will not be in a beneficial position from the world scale of some local producers.

It is evident that nothing much can be done about this, because if new players enter into competition, the scale economies, for many products will shrink and production cost of manufacturers will increase. Eventually, these costs are passed on to the end consumers.

The labor cost, amounts to about 20% of total housing cost. Major builders are certain of achieving some economies of size due to reasonable efficiency in organizing their labor and sub-contractors. But according to past results there is a decline in overall productivity in construction, in large parts, due to impacts of regulations, and during high demand there is shortage of skilled labor, and large

amount of one-off design, including rampant use of different cladding types and windows.

The desire for uniqueness in new housing has a noteworthy cost premium, at least 10% based on our consent analysis and 20% according to Maltby's. The simulations described above, can be used to answer types of questions framed at the start of this report.

In case of rise in price of building materials the price of entire building construction increases. Sometimes to offset the price rise, fuel or material substitution takes place. Development of construction and manufacturing technologies has led us to estimation in the method, especially in the past 10 years.

To establish a new housing, raw land cost is considered as the main costing section. In some of the reports also, some mechanisms have been introduced and recommended for economical release of lands near major cities. Council charges to access current infrastructure demands more analysis.

According to the investigations, major buildings are able to yield a slightly cheaper standard quality, comparing to the low volume builders.

Though, low volume builders mostly produce fairly standard quality houses and according to what have been achieved in this report, scale effect of larger buildings, leads to cheaper prices, by an average percentage of 15 (Building Research Levy, 2008).

## Chapter 3

# CONSTRUCTION SECTOR IN NORTH CYPRUS

### 3.1 Introduction

The Northern Cyprus economy has experienced a high growth rate of 6.47% between the years 2003 and 2009. During the last few years, sectors in Northern Cyprus have gone through a number of significant changes. Over the past 30 years, the structure of the economy has shifted from agriculture to tourism and industry. The economic structure is less diverse, like other small islands' economies, and the service sectors are considered as the back bone of the economy. The economy is mainly controlled by the services sectors, which totally account more than 70 % of the GDP. Among the services sectors, tourism and higher education are the leading sectors ( [investinnorthcyprus.org](http://investinnorthcyprus.org), 2009).

Net revenues from tourism and higher education sectors are the two main sources of income and together, are a major component of Northern Cyprus's Current Accounts in Balance of Payments. In the year 2009, net revenues from tourism increased by 3.7% from 2008 and reached to 450 million USD.

Construction sector showed a boom in the Northern Cyprus economy from 2005 to 2007, and it was accelerated by showing 8.7% of real growth on average, during the last 5 years. The construction sector has an influence on 27 sub-sectors of the

economy, According to the SPO. Since it influences these sectors, its impact on the economy is indeed very broad ( investinnorthcyprus.org, 2009).

### **3.2 Characteristic of the Sector**

There have been very few investigations, done on North Cyprus construction section. This is actually against the booming economy of real estate, especially during the past 10 years, in high tourist attracting regions of Kyrenia and Famagusta, which has also raised environmental concerns as well as traffic jams.

There are also recognized challenges and imbalances, as the result of recent explosive building activities, in TRNC economy and urban planning. Despite all these worries, environmental protection and urban planning have not been considered as serious concerns, so far, by policy makers. Although it may be too late to reverse the procedure, government simply does not consider the growth led by construction, as a serious problem.

The main reason of current construction growth is UN Peace Plan, which is also known as Annan Plan (BASIS FOR A COMPREHENSIVE SETTLEMENT OF THE CYPRUS PROBLEM, 2003).

The Annan Plan was finally submitted for separate ballots in Northern part and Southern part of the island, after several revisions and negotiations, on 24 April 2004.

The plan, which was eventually approved in Northern part and rejected in Southern part, was proposing the establishment of a new state, consisting of two zones and communities. The unite State was called United Republic of Cyprus (URC), having a

single citizenship, single flag, single currency, one federal macroeconomic policy and foreign affairs.

An important provision of the Annan plan is related to claim of possessions. For the first time since 1974, when displacement of Turkish Cypriots in south and Greek Cypriots in northern part occurred, there were defined counter property claims, for settlement.

To determine and decide about property claims, an independent Property Board was set up, specifically in Art 10(4) of the plan. According to Art 10(3b), in a specific property, one third of the area and one third of the value has to be returned to the original owner, while the rest should be dispensed through compensation, leases and other possible acceptable methods.

The plan, which was approved in northern part, deeply influenced the property market in the region. Resulting in massive real estate investment, the investment was mainly motivated by both local and international demands. Gradually, growth occurred in all sectors of construction (residential, industrial, etc.) and more significantly in tourism. Although according to the plan, primarily environmental policy are allocated to federal government, for area such as building permits and land registration, there is a significant role of state.

The federal and state governments are also expected to coordinate their rules and policies, by means of agreements and regular consultations.

### **3.3 The Growth of Housing Building Segment in Cyprus**

Growth of tourism in the late 1960s resulted in rapid construction growth, specifically in beach areas of Varosha (near Famagusta) and Kyrenia. After 1974 and the following war on the island, economic inactivity occurred, which lasted until the early 1980. In mid-1980 due to excessive demand for higher education in Turkey, university sector began to grow in TRNC. By 2002, totally six universities were established and accepting students in the region, with totally 27,748 (SPO, 2002a) enrolled students and more than 3,000 employees. University sector growth caused a major constructional growth, especially in residential, commercial and institutional buildings. In this trend, construction boom triggered together with the impact of growth pole theory of economic development (Todaro, 1994).

According to the mentioned theory, internationalization, can lead to a more sustained growth process. The theory has been recently expanded and redefined by Paul Krugman (Krugman, 1994 ), considering the factors of localization, trade, geographic properties (Pheng & Hongbin, 2004).

Dunning's (1988) extensive model was assumed as a framework to analyze multinational construction industry. On the other hand, the most important application of internationalization theories in construction is highlighted by Seymour (1987).

Some functioning policies have been specified for multinational companies (MNCs) in their host developing countries by a model proposed by Ofori (1996, p. 279). The internationalization procedure of MNCs' in their host countries, progresses from establishing strategic associations, to planning holdings gradually.

Public infrastructural projects were mainly targeted by the end of 1990, by means of focusing on the nature of construction activity.

Many pivotal highway construction projects were financially aided by Turkey. These highways were catalyst in promoting industrial and commercial expansion; they strongly stimulated the growth and developed industrial estates. In late 1990s, industrial growth induced rampant residential construction. It was observed by Bayramog`lu (1997) that 89, 84 & 92% of total construction in Nicosia, Famagusta & Kyrenia was built for residential purposes, 8,8 & 7% in Nicosia, Famagusta & Kyrenia was built for commercial use. The remaining was built for industrial purposes. There is profound similarity between the statistics given for Nicosia and whole of the TRNC (SPO, 2002b)

In spite of economic restraints and political isolation of TRNC, due to the investment in construction sector, it has seen increased volume of construction, which has functioned as a driving force of the economy, implying direct and indirect correlation of construction investment. Development in construction sector induced advancement in transportation, trade, commerce & manufacturing sectors and contributed to further growth in real economy.

Rapid construction investment in the TRNC can also be accounted to the role played by financial determinants. It is observed that financial determinants such as devaluation of Turkish Lira, inflationary expectations, offshore banking and even money laundering; all strengthened each other to generate the rapid construction investments. Positive impact on construction industry can also be factored due to

structural reforms in banking sector in Turkey post 2002, which led to similar reforms in TRNC (Haddad, Judeh, Mahfuz, & Haddad, 2011).

The volume of construction materials imported is noteworthy marker for construction volume. The volume of construction materials imported for construction such as iron, cement & wood swelled significantly during 2004. It can be visualized clearly from the table below (Table 3.1). The speculative demand also played significant role in boom in construction sector.

Table 3.1: Volume of Construction Materials Imported For Construction

IMPORT	VALUE (2003)	VALUE (2004)	% Increase 2003-2004	VALUE (2005) jan-sep
IRON	\$11.39 million	\$36.77 million	222.8%	\$22.5 million
CEMENT	\$6.82 million	\$19.68 million	188.6%	\$35.6 million
WOOD	\$15.18 million	\$11.39 million	119.9%	\$11.35 million

As pointed out by Ben (2004), Annan plan not only influenced the demand for construction volume but also stirred interest of opportunists, who are looking for dividend gain in the real estate market in North Cyprus.

This fact resulted in inflated prices and wages towards levels in South Cyprus. According to rumors Greek Cypriots are purchasing properties in the North through mediators. It is also rumored that there is widespread proxy purchases for British & foreign nationals. It is believed that solicitors are acting backstage, arranging the legal paperwork for these speculative deals.



The main determining as well as primary of economic factors responsible for construction growth in the TRNC is: development and profitability of industry, size of the market, integration of new technologies, competition between contractors, and the role of government as a buyer and sometimes as a seller through the bidding process. Inflation & price relationship and some of the state's bids are finalized abroad (especially in Turkey).

Similar pattern can be taken as a supporting testimony from neighboring countries in the Eastern Mediterranean. Payne (2001) noted that the American funds were utilized in order to support rapid development of Ismailia area in Egypt. Ismailia area became a university town like Famagusta and after building a bridge around the Suez Canal at Ismailia, migration started and population density swiftly increased around the university. Payne (2001) also pointed out the role played by Palestinians immigration to Amman, and the resulting environmental pollution.

The UN peace plan known as the Annan Plan was proposed for settling the Cyprus problem; in its after-effects, North Cyprus's economy experienced an economic boom, during the period 1998 to 2005. The dynamic nature of North Cyprus is acknowledged on the basis of empirical estimation of backward and forward linkages during the period 1998 to 2005.

Detailed failure of inter-industry dealings per unit of construction output, using the most significant purchase deliveries was required, because the latest input-output table for North Cyprus economy is of 1998, and it was needed to derive backward and forward linkages for 2005, and then normalize these transactions for comparability between 2005 and 1998.

The results arrived upon, display profoundly different pattern of inter-industry transactions in 2005 as compared to 1998. These results imply an increased interest in possibility of modifying Bon curve for micro states, such as North Cyprus, in which environmental constraints may come into play initially, indicating an inverted V-shaped Bon curve in the place of an inverted U-shape.

There is diversity in the outlook, by pioneers on the correlation between GDP growth and construction activity. For example, Turin (1978) finds no significant correlation between share of construction in GDP and GDP per capita. On the contrary, Bon and Pietroforte (1990) accept the view that there is a unidirectional relationship, that is, each country must go through three stages of economic development.

To test empirically whether there is unidirectional or bidirectional relationship between GDP growth and construction growth, Granger (1988) interconnection analysis can be preceded as a new study. For example, time series econometrics & empirical investigation may deepen our understanding in construction domain.

Backward and forward linkages have been estimated in the research, which is carried out in the case of micro-state of North Cyprus, which has experienced a dynamic growth in construction sector since 2003.

A methodology has been formulated for calculating cost per meter of construction activity in 2005. Since comprehensive input-output matrix for 2005 is unavailable, the methodology enables the comparison of backward and forward linkages with those in 1998, the date for which the latest input-output matrix is available.

The construction sector has become a dynamic force, propelling North Cyprus's economy. North Cyprus's economy showed astounding growth in 2005-06. It grew by 35%, in comparison to 1998. Major transformations have also been observed in backward and forward linkages.

The observations points to the fact that the rampant construction growth is unsustainable on natural grounds, and an ecological constraint has already been met. Initiative in favor of the public welfare taken by the government, has moved in with a decree (TRNC Official Gazette, 2006, 2007), putting a temporary ban on providing construction license, in the fragile Five Fingers Mountain Range. Hence, it can be inferred that construction activity in future will decline significantly. Tougher, land zoning and environmental standards were expected to check unplanned construction during 2002-2006.

## **Chapter 4**

### **METODOLOGY**

#### **4.1 Survey Design**

Usually, these types of researches need data, which do not exist in a specific area. As it is mentioned before, designing such a questionnaire needs analyses of the important factors, influencing the subject. Survey questions, which were improved by using different sources, based on demographic variables and factor of pre-owned home selection criteria.

It worth mentioning the first section of questions is meant to gather some general information about respondents (i.e. their gender, age, monthly income, etc). The second section (consisting of 25 questions) is about pre-owned home selection factors. With a five-point Likert Scale ranging from 1 “Not Important at all = 1” to Very Important = 5”, conducted to measure 25 items of importance factors for pre-owned home selection criteria.

The adaptation and revision of this questionnaire had been done according to some studies in the relevant literature, mainly including Haddad, Judeh, Mahfuz, & Haddad, 2011.

## **4.2 Data Collection**

The data in the study were collected by distributing questionnaires in selected dwelling areas, in Famagusta, Kyrenia and Nicosia, across North Cyprus. They were distributed to nearly 200 participants, living at various dwelling areas, in the cities during the spring academic semester of 2012-2013. 178 questionnaires were collected back and all of them were useful. The response rate was 100 %.

During distributing the questionnaire, some problems occurred, among which one of the biggest ones was the partiality of responses in filling the form. Another problem was transportation cost from Famagusta to the other cities.

## **4.3 Methodology**

Having collected all questionnaires, different statistical methods conducted for the case. In such data analysis, some important information like table of frequency, standard deviation and mean table were prepared by the software and also, each question was run and analysed individually. One sample t-test and one-way ANOVA analyses were also conducted.

## **Chapter 5**

### **EMPIRICAL RESULTS**

#### **5.1 Descriptive Statistics**

The descriptive statistics and the other methods were used to stress vital factors on the subject. Descriptive statistics for research studies deliver valuable information and significant results for policy implications (see Table 5.1). Using this table, which 178 participants answered 25 questions, the mean score of some factors of pre-owned home selection are higher than the others, showing they are more important, compared to the other factors. Table 5.1 shows the categories of factors, from the most important factors for pre-owned home selection criteria to the least important factors, based on mean score of each question.

#### **5.2 Interpretation of the Results**

Table 5.1 displays the maximum, minimum, mean score and standard deviation of each question. According to the table, the most important factor compared to other factors is “safety futures” (4.25), whereas the least score is allocated to facilities such as swimming pool with 2.87 mean score among 178 repliers. In addition, the other important factors are prices and heating and cooling system and the factors as such Turkish Cypriot’s deed (legal contract) on land, was expected to be found as important as the other (mean score is 3.52).

Table 5.1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
its price is affordable	178	1	5	4.17	1.233
its current advertising effect	178	1	5	3.28	1.293
its location	178	1	5	3.52	1.298
its facilities such as central heating and cooling	178	1	5	4.23	1.040
its decent neighborhood	178	1	5	4.17	1.067
its style/ look	178	1	5	3.96	1.019
the crime rate is low in the area	178	1	5	3.84	1.144
its promotional offer	178	1	5	3.94	1.170
estate agency factor	178	1	5	3.09	1.286
its square meter is large	178	1	5	3.89	1.129
its warranty offered is satisfactory	178	1	5	4.23	1.007
interior plumbing system	178	1	5	4.16	1.090
recommendations of friends	178	1	5	3.48	1.170
recommendations of relatives	178	1	5	3.45	1.258
interior electrical system	178	1	5	4.25	1.099
its safety futures	178	1	5	4.28	1.019
built-in microwave oven, dishwasher and central vacuum	178	1	5	3.85	1.233
garage door opener and door bells	178	1	5	3.01	1.456
its hot water heater	178	1	5	4.26	1.170
its swimming pool	178	1	5	2.87	1.451
A 2 years warranty on the home will be provided to the buyer	178	1	5	3.84	1.236
its construction company	178	1	5	3.71	1.355
Turkish Cypriots deed on land	178	1	5	3.52	1.411
its value for money	178	1	5	3.90	1.212
its historical value of home	176	1	5	2.95	1.490
Valid N (list wise)	176				

Table 5.2 shows that Cronbach's estimate coefficient, which indicates that 25 questions, asked in the questionnaire are consistent (0.865 is greater than 0.6). the table also indicates whether the questions are individually consistent or not, by conducting factor analysis.

To evaluate the reliability of the questions under inspection, Cronbach's alpha was used by the SPSS software and its value was equal to 0.865. Based on the statistical fact that the amount of Cronbach's alpha should be more than 0.6, the reliability of the questionnaire was confirmed. Table 5.2 illustrates these estimates, run by SPSS software.

Table 5.2: Reliability Statistics

Cronbach's Alpha	N of Items
.865	25

Table 5.3 displays the commonalities of each factor. As shown in Table 5.3, extractions of questions are 0.6 and above, so they were employed to use within all analyses, because it is usually suggested in the literature to drop those factors that are less than 0.5.



Table 5.3: Communalities

	Initial	Extraction
its price is affordable	1.000	.652
its current advertising effect	1.000	.748
its location	1.000	.608
its facilities such as central heating and cooling	1.000	.653
its decent neighborhood	1.000	.640
its style/ look	1.000	.666
the crime rate is low in the area	1.000	.617
its promotional offer	1.000	.613
estate agency factor	1.000	.672
its square meter is large	1.000	.650
its warranty offered is satisfactory	1.000	.625
interior plumbing system	1.000	.686
recommendations of friends	1.000	.740
recommendations of relatives	1.000	.762
interior electrical system	1.000	.649
its safety futures	1.000	.652
built-in microwave oven, dishwasher and central vacuum	1.000	.646
garage door opener and door bells	1.000	.756
its hot water heater	1.000	.622
its swimming pool	1.000	.686
A 2 years warranty on the home will be provided to the buyer	1.000	.615
its construction company	1.000	.634
Turkish Cypriots' deed on land	1.000	.600
its value for money	1.000	.613
its historical value of home	1.000	.610
Extraction Method: Principal Component Analysis.		

The first part of our questionnaire was about general information including: gender, age, monthly income level, job status, work experience, education level, nationality,

family size, occupation and family background. The answers frequency and percentage of each question were also estimated. Table 5.4 shows the frequency and percentage of question one, which was about gender. Column of frequency represents that 102 of 178 people were male and 76 people were female, which means 57.3% of responders were male and 42.7% were female.

Table 5.4: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	76	42.7	42.7	42.7
	male	102	57.3	57.3	100.0
	Total	178	100.0	100.0	

Table 5.5 shows the frequency and percentage of another question, related to ages of responders. The highest frequency and percentage was found at the age interval of 38-47. Frequency was 154 and the percentage is 86.5. In Table 5.6, in which the job-status was estimated, more participants were found out as full-time working people. This is really a good indicator that people who do have a proper job were more determined to answer the questions about factors in buying pre- owned houses.

Table 5.5: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-27	4	2.2	2.2	100.0
	28-37	11	6.2	6.2	92.7
	38-47	154	86.5	86.5	86.5
	48-57	9	5.1	5.1	97.8
	Total	178	100.0	100.0	

Table 5.6: Job Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	unemployed	30	16.9	16.9	16.9
	part-time	30	16.9	16.9	33.7
	full-time	118	66.3	66.3	100.0
	Total	178	100.0	100.0	

Table 5.7 illustrates the information about monthly income level. These indicators reveal that participants, who earn an amount between 3000 dollar and above, were determined as the highest group, to answer the questions about factors in buying pre-owned houses.

Table 5.7: Monthly Income Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	3000 and over	126	70.8	70.8	70.8
	2000-2999	32	18.0	18.0	88.8
	1999-1000	13	7.3	7.3	96.1
	0-999	7	3.9	3.9	100.0
	Total	178	100.0	100.0	

Table 5.8: One-Sample Test

Variable name	Mean women	Mean men	t	df	sig
its price is affordable	4.37	4.02	1.881	176	.067
its current advertising effect	3.29	3.27	.076	176	.720
its location	3.79	3.32	2.400	176	.833
its facilities such as central heating and cooling	4.38	4.12	2.483	176	.051
its decent neighborhood	4.25	4.12	1.818	176	.0702
its style/ look	4.03	4.90	.805	176	.158
the crime rate is low in the area	3.89	3.80	.523	176	.625
its promotional offer	4.17	3.76	2.320	176	.724
estate agency factor	3.16	3.04	.608	176	.867

its square meter is large	3.96	3.83	.742	176	.447
its warranty offered is satisfactory	4.45	4.07	2.519	176	.047
interior plumbing system	4.20	4.14	.363	176	.615
recommendations of friends	3.54	3.44	.553	176	.975
recommendations of relatives	3.61	3.33	1.431	176	.218
interior electrical system	4.46	4.10	2.201	176	.000
its safety futures	4.47	4.14	2.201	176	.032
built-in microwave oven, dishwasher and central vacuum	4.05	3.70	1.924	176	.036
garage door opener and door bells	3.26	2.81	2.056	176	.890
its hot water heater	4.43	4.13	1.741	176	.022
its swimming pool	3.14	2.66	1.244	176	.761
A 2 years warranty on the home will be provided to the buyer	4.05	3.68	2.026	176	.108
its construction company	4.16	3.37	3.983	176	.001
Turkish Cypriots' deed on land	3.66	3.42	1.106	176	.205
its value for money	3.91	3.89	0.085	176	.781
its historical value of home	3.12	2.82	1.319	174	.495

Table 5.8 indicates the results of one sided t-test, for various factors of pre-owned home selection, affecting the homes' selection criteria in North Cyprus construction sector. The Results display that the price is affordable ( $t=1.881$ ; 10%), warranty offered is satisfactory ( $t= 2.519$ ; 5%), safety futures ( $t=2.201$ ; 5%) and facilities such as central heating and cooling ( $t=2.483$ ; 5%), all have positive and statistically significant effects on pre-owned home selection criteria, whereas historical value of home ( $t=1.319$ ), swimming pool ( $t=1.24$ ), and estate agency factor ( $t=0.608$ ) are the least significant factors compared to the previous ones. In other words, the first three factors have the highest impact on pre-owned home selection criteria, whilst the other three factors have the least influence.

Table 5.9 shows that “current advertising effect” (F=3.03; 5%), “warranty offered is satisfactory” (F=3.19; 5%), “construction company” (F=3.02; 5%), “value for money” (F=2.27; 10%), and “Turkish Cypriots deed on land” (F=2.80;10%) are statistically significant and have the highest influences on pre-owned home selection criteria. However, “style/ look” (F=.130), “recommendations of friends” (F=.100) and “crime rate is low in the area” (F=.084) have less impact on pre-own home selection criteria compared to the first three factors, mentioned earlier.

Table 5.9: ANOVA Analysis

	age	Mean	F	df	sig
its price is affordable	38-47	4.20	.957	174	.415
	28-37	3.73			
	48-57	3.89			
	18-27	4.75			
	Total	4.17			
its current advertising effect	38-47	3.25	3.038	174	.31
	28-37	3.36			
	48-57	4.22			
	18-27	2.00			
	Total	3.28			
its location	38-47	3.46	.890	174	.448
	28-37	3.82			
	48-57	4.00			
	18-27	4.00			
	Total	3.52			
its facilities such as central heating and cooling	38-47	4.25	.790	174	.501
	28-37	3.82			
	48-57	4.44			
	18-27	4.00			
	Total	4.23			

	38-47	4.19	.486	174	.692
	28-37	3.82			
its decent neighborhood	48-57	4.33			
	18-27	4.25			
	Total	4.17			
	38-47	3.95	.130	174	.942
	28-37	3.91			
its style/ look	48-57	4.11			
	18-27	3.75			
	Total	3.96			
	38-47	3.83	.178	174	.911
	28-37	3.82			
the crime rate is low in the area	48-57	3.89			
	18-27	4.25			
	Total	3.84			
	38-47	3.95	.084	174	.969
	28-37	3.82			
its promotional offer	48-57	4.00			
	18-27	3.75			
	Total	3.94			
	38-47	3.05	.590	174	.622
	28-37	3.27			
estate agency factor	48-57	3.33			
	18-27	3.75			
	Total	3.09			
	38-47	3.88	.512	174	.675
	28-37	4.09			
its square meter is large	48-57	3.56			
	18-27	4.25			
	Total	3.89			
	38-47	4.19	1.191	174	.315
	28-37	4.27			
its warranty offered is satisfactory	48-57	4.56			
	18-27	5.00			
	Total	4.23			

	38-47	4.18	.203	174	.894
	28-37	4.18			
interior plumbing system	48-57	3.89			
	18-27	4.25			
	Total	4.16			
	38-47	3.51	.599	174	.616
recommendations of friends	28-37	3.55			
	48-57	3.33			
	18-27	2.75		.	
	Total	3.48			
	38-47	3.45	.100	174	.960
recommendations of relatives	28-37	3.45			
	48-57	3.33			
	18-27	3.75			
	Total	3.45			
	38-47	4.23	.540	174	.656
interior electrical system	28-37	4.18			
	48-57	4.56			
	18-27	4.75			
	Total	4.25			
	38-47	4.29	.414	174	.743
its safety futures	28-37	4.00			
	48-57	4.44			
	18-27	4.50			
	Total	4.28			
	38-47	3.90	1.260	174	.290
built-in microwave oven, dishwasher and central vacuum	28-37	3.64			
	48-57	3.78			
	18-27	2.75			
	Total	3.85			
	38-47	2.94	.751	174	.523
garage door opener and door bells	28-37	3.45			
	48-57	3.33			
	18-27	3.50			
	Total	3.01			
	38-47	4.24	.116	174	.950
its hot water heater	28-37	4.36			
	48-57	4.44			
	18-27	4.25			
	Total	4.26			

	38-47	2.88	.893	174	.446
	28-37	3.09			
its swimming pool	48-57	2.78			
	18-27	1.75			
	Total	2.87			
	38-47	3.73	2.863	174	.038
A 2 years warranty on the	28-37	4.45			
home will be provided to	48-57	4.67			
the buyer	18-27	4.25			
	Total	3.84			
	38-47	3.62	3.026	174	.031
its construction company	28-37	3.64			
	48-57	4.67			
	18-27	5.00			
	Total	3.71			
	38-47	3.45	2.799	174	.042
Turkish Cypriots deed on	28-37	3.36			
Land	48-57	4.78			
	18-27	4.00			
	Total	3.52			
	38-47	3.82	2.272	174	.082
its value for money	28-37	4.09			
	48-57	4.78			
	18-27	4.50			
	Total	3.90			
	38-47	2.87	1.271	172	.286
its historical value of	28-37	3.45			
home	48-57	3.67			
	18-27	3.00			
	Total	2.95			



## Chapter 6

### CONCLUSION, MANAGERIAL IMPLICATION

The Results based on analyses, show that factors of price affordability, satisfactory in offered warranty, safety futures and facilities such as central heating and cooling have positive and statistically significant effects on pre-owned home selection criteria whereas historical value of home, swimming pool, and estate agency factor are the least significant factors compared to the previous ones. In other words, the first three factors have the highest impact on pre-owned home selection criteria whilst the other three factors have the least influence factors pre-owned home selection criteria.

The results based on age also reveal that current advertising effect, warranty offered is satisfactory, construction company, value for money, and Turkish Cypriots deed on land are statistically significant and have the highest influences on pre-owned home selection criteria. However, style/ look, recommendations of friends and crime rate is low in the area have less impact on pre-owned home selection criteria, compared to the factors mentioned earlier.

This study found that respondents would significantly answer, when buying pre-own residential houses or apartments, including aesthetic, economic, marketing, geographic, and social constructs. On the other hand, the study concluded that there were significant differences in decision making, regarding the gender and buying

pre-own residential home. At the same time, there were significant differences considering age.

The results of this thesis were consistent with Diskin`s (1982) study, where it showed that there were significant differences in the respondents answer due to the age, income, job status, educational level and etc. (in ANOVA results were not displayed). In fact, this thesis had noteworthy practical implications for researchers and practitioners in the field of real estate, as well as construction sector.

The concepts of this thesis could be used as a practical framework when an organization or an individual would buy houses, apartments and the other type of residential premises. Furthermore, findings of this thesis with regard to demographic characteristics may have considerable practical use mainly for real estate agency, to draw their attention to the demographic factors that might affect the decision.

## **Chapter 7**

### **RECOMMENDATION FOR FUTURE STUDIES**

A significant suggestion would be to broaden the study to include pre-owned residential home buyers from other countries such as Turkey, Iran and England, which might provide a larger population, from which a larger sample can be selected. A larger sample helps to ensure the answers would better reflect the population's opinion and would help to eliminate biases (Streiner, 1994).

Furthermore, it is strongly recommended that future research can be done regarding the factors that might affect different buyers group (wealthier people). Another avenue for future research in this area concerns more research on the potential influence of pre-own residential homes' buying decisions, on other variables, such as organizations profitability and effectiveness of resource allocation.

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## **APPENDICES**

## **Appendix A: Pre-owned Home Selection Criteria In North Cyprus Market**

Dear Participant,

This research is about your opinions as an owner or a buyer as well as a trader in selecting pre-owned home. Please read all of the following questions carefully and try to answer the questions on the type of home selection factors.

Regards,

Assoc. Prof Sami Fethi and Fateme Oladi



## **Appendix B: Demographic Profile**

### 1. Gender:

- a. Male          b. Female

### 2. Age

- a. 18-27          b. 28-37          c. 38-47          d. 48-57          e. 58 and  
upper

### 3. Monthly Income Level

- a. \$ 0 – 999          b. \$ 1000 – 1999          c. \$ 2000 – 2999          d. 3000  
and over

### 4. Job status:

- a. Full time          b. Part-time          c. unemployed

### 5. Work Experience

- a. 1-5 years          b. 6-10 years          c. more than 10 years

### 6. Education Level

- a. Primary School          b. Secondary/high School          c. Technical school          d.  
University          e. Post graduate

### 7. Nationality

- a. Turkish Cypriot          b. Turkish          c. Iranian          d.  
Nigerian
- e. People from Middle East          f. People from Former USSR          g. British          h.  
European

### 8. Family Size

- a. 2          b. 3          c. 4          d. 5          e. 6          f. more  
than 6

## Appendix C: Pre-owned Home Selection Factors

This section comprises of 25 questions on the devices selection factors. Please use the following Likert's scale ranging from 1 (Not Important at all) to 5 (Very Important) for your answers:

**Not Important at all**

**Very Important**

1      2      3      4      5

ID	IMPORTANCE FACTORS FOR PRE-OWNED HOME SELECTION FACTORS	LIKERT'S SCALE				
1.	Its price is affordable	1	2	3	4	5
2.	Its current advertising effect	1	2	3	4	5
3.	Its location	1	2	3	4	5
4.	Its facilities such as central heating and cooling	1	2	3	4	5
5.	Its decent neighborhood	1	2	3	4	5
6.	Its style/look	1	2	3	4	5
7.	The crime rate is low in the area	1	2	3	4	5
8.	Its promotional offer	1	2	3	4	5
9.	Estate agency factor	1	2	3	4	5
10.	Its square meter is large	1	2	3	4	5
11.	Its warranty offered is satisfactory	1	2	3	4	5
12.	Interior Plumbing System	1	2	3	4	5
13.	Recommendations of Friends	1	2	3	4	5
14.	Recommendations of Relatives	1	2	3	4	5
15.	Interior Electrical System	1	2	3	4	5
16.	Its safety futures	1	2	3	4	5
17.	Built-in Microwave Oven, Dishwasher and Central Vacuum	1	2	3	4	5
18.	Garage Door Opener and Door Bells	1	2	3	4	5
19.	Its Hot Water Heater	1	2	3	4	5
20.	Its swimming Pool	1	2	3	4	5
21.	A 2 years warranty on the home will be provided to the buyer	1	2	3	4	5
22.	Its construction company	1	2	3	4	5
23.	Turkish Cypriot's deed (legal contract) on land	1	2	3	4	5
24.	Its value for money	1	2	3	4	5
25.	Its historical value of home	1	2	3	4	5

Source: to modify the questionnaires, using these references; Mwfeq Haddad et al. (2011), R.D. Bikash, S.K. Pravat and Sreekumar (2010), Youn & Faber, (2000), Han (1987); Rook & Hoch, (1985); Weun, Jones, & Betty, (1997); Beatty & Ferrel, (1998).