

# **Factors Influencing Renting Decision of EMU Students in North Cyprus –An Explanatory Study**

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Approval of the Institute of Graduate Studies and Research

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## **ABSTRACT**

This thesis empirically examines 29 factors influencing in renting decision of EMU students in Famagusta real estate market. Totally, 202 students of EMU have participated in this survey. Mean scores, and one-sided t-test are conducted to research and compare the renting factor criteria.

The results display that the warranty offered is satisfactory, AC (cooling and heating, condition), furniture, distance to university are the most important factors influencing in renting apartments criteria. It is also found out the most range of age, main country names and education level of EMU students are important. In case of high price of rental apartments, it can affect the university selection criteria, whereas losing prospective students can hit financial situation of EMU.

**Keywords:** EMU students, rental apartments, mean scores, t-test, Famagusta, renting decisions

## ÖZ

Bu tez Gazimağosada DAÜ öğrencilerinin kiralık apartmanların seçim faktörlerini inceler. Sorgulanan 202 DAÜ öğrencilerin yaş grubunu, tahsil özgeçmişini, kiralarken hangi faktörlerini dikkat almalarını gözönüne alınarak ortalama değerler, ve t değerleri hesaplanmıştır.

Elde edilen Sonuçlar ışığında kiralamadaki garanti koşullarının yerine getirilmesi, klima sistemlerinin önemi, möbilyanın mevcudiyeti, okula olan mesafenin kiralama kriterlerinde büyük rol oynadığını görülmektedir. Ayrıca, sonuçlar öğrencilerin yaş grubu, ülkeleri ve tahsil seviyelerini anlamlı bulunmuştur. Apartmanlardaki yüksek kira bedelleri olma olasılığı üniversite seçimini etkileyen faktörler arasında görünmektedir. Bu sonuç DAÜ'nün finansal yapısında kötü yönde etkileyebileceği belirtilebilir.

**Anahtar kelimeler:** DAÜ öğrencileri, kiralık daireler, t-testi, Gazimağusa, kiralama kararları

*To my Angel in the sky who always wanted  
me to have a master's degree.*

*Mom, be proud of me, I did it!*

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# **Chapter 1**

## **INTRODUCTION**

### **1.1 Introduction**

Real Estate is profitable business where buying, selling or renting properties are the main basement for profits. As Cyprus is not a big island where any industry can be developed widely and easily, so most local people are working in banking service, tourism, agriculture and real estate fields. Famagusta with a population of 40 000 is developing more slowly than Lefkosa or Kyrenia, and some local people's income depends on service for students of local university-Eastern Mediterranean University such as entertainment places, rent a car, rent a flat, course notes, food and beverage. As the number of students grows rapidly each year, rental apartments/dormitories are very demandable in Famagusta. EMU is providing dormitories, but dormitories are not enough for the growing number of new students. This situation has impacted on the private real estate market. Some landlords are taking advantages of this situation and make prices high for renting. This topic is not chosen randomly, I will try to explore the main renting factors, reason of high prices and possible consequences of it. At the end of thesis some recommendations are going to be suggested in order to protect the student's rights as renters.

### **1.2 Aim of the Study**

In general, this thesis empirically inquires 22 important factors about selection criteria in renting apartments by EMU students. The renting factors, reasons and possible consequences of high prices on the issue are examined. Giving

recommendations how to regulate prices on stable level will be examined in the last chapters.

Specifically, the following research questions have been developed:

1. What are the most and the least important factors among the participants in terms of influencing renting decision of EMU students.?
2. Are there significant differences among participants with different gender in terms of influencing renting decision of EMU students?

### **1.3 Methodology and Data Collection**

Outlining a research questionnaire makes specialists examine and find the essential parameters, affecting the target subject of an investigation. Diverse sources were employed to improve the questions on the survey's questionnaire form. These questions are based on demographic variables and factor of rental apartment selection criteria, which are examined within this study. Some general information about respondents are in the first part which was consisted of their gender, age, occupation in their own country, job situation, educational level, nationality, renting type and how many roommates they have. 12 questions about renting selection factors were included in the second part of the questionnaire. This survey contains a five-point Likert Scale in which "1" indicates not Important at all and "5" to Very Important was conducted, to measure 12 items of significant points for renting selection in the survey.

Various statistical methods are conducted responding to all questions for this case. With this kind of data analysis, descriptive statistics including table of frequency, standard deviation and mean scores are used to analyze the case. In addition, the

study results were made more constructive and beneficial by conducting independent sample t-test on the questions for the sake of comparison between male and female.

#### **1.4 Findings of thesis**

Students of EMU are mostly from CIS countries, Middle East and Africa countries. Their age range is mostly between 18-27 which is natural, that most students (99 out of 202 responds) are unemployed, economically dependable on their family. Another finding was the high price on rental apartments that can affect the university selection criteria. Losing prospective students can hit the financial situation of EMU. The results of the survey show some favorable and unfavorable criteria while choosing rental apartments. AC (cooling and heating condition), furniture and distance from school were top three preferable in the criteria list while criteria such as having balcony, prestige of place, the age of the building were not so important for EMU students in rental home selection.

#### **1.5 Structure of the study**

This research thesis is organized, contains 6 chapters where first Chapter involves introduction part. Literature review on rental apartments is reviewed in Chapter 2. Chapter 3 will describe common problems of EMU students with landlords as well as containing factors, reasons and consequences of high price on renting apartments. Chapter 4 will examine data and methodology. Chapter 5 is all about empirical results. Finally, in chapter 6 we will discuss about managerial suggestions, recommendations for further studies.

## Chapter 2

### LITERATURE REVIEW

Land ownership, property deal, title deeds are cause many problems for foreign buyers beside misinformation and unfavorable attitude to them. Unfortunately TRNC suffers from this situation more than the Republic of Cyprus, an EU member. (Siobhan Maguire, 2010)

Jonathan Salsbury, the Irish and British manager for Cybarco, a property developer in Cyprus noted that purchasing the real estate could never owned legally due to status of north part of Cyprus. That's the way the market was frozen.

Academic achievement is becoming more and more essential in the world, people, especially young generations are looking for the best universities with less admission requirements. Universities in North Cyprus in order to compete with each other, are lowering their admission requirements.(Nilgün Suphi & Hüseyin Yaratın, 2011.)

Multivariate results indicated that Black householders were owning rental properties more than White householders. And people with an age range of 55-64 were owning rental property more than the age range of 25-34 due to economic factors. (Martin S., Andrew C., Robert N. & Lance P., 2013)

Popularity of real estate as a main part of a family's investment portfolio is expanding; (LeReah, 2005).

Purpose of more than 25% of real estate transaction of US was included in investment by 2005. (McGinn, 2008).

Some islands are small and isolated and due to this fact they have little resource base, not variable structure of economies, import dependable, but on the other hand, these islands are developed in fishing and agriculture due to their geographic position (Prasad, 2008).

Little states, especially islands are advantageous and reasonable "labs" where hypotheses could be tried and methodologies saw inside a semi-shut framework. Geographers, anthropologists, biologists and the researcher have a huge interest in studying "Lilliputians" (King, R. 1993).

Higher education is a very significant step in people's life. Number of people preferring to have their higher education at foreign universities, colleges and institutions are growing up every year. That's why we can consider higher education as a student tourism and it has great contribution to national income, income of local people and of course employment (S.T. Katircioglu, 2010)

Small islands' main sources are foreign tourism and higher education. But as the TRNC is non recognized territory which causes problems to establish not only foreign trade relationships with different countries (exception is Turkey) but also TRNC faces difficulties in the tourism sector. There is no direct flight to/from North Cyprus and it makes the transaction price high. (S.T. Katircioglu, 2010)

Tourism is one of centered income of small islands because a very few sectors can be developed. One of the economic characteristic of small island belongs to export-oriented, which creates a comparative advantage among each other. (Mehmet & Tahiroglu, 2002).

Many households's housing biography in the UK used to be at least a short renting. Private renting can be due to different reasons such as a young generation's leaving home for the first time, junior professionals sharing property before having their own apartments, short term emergency use, a place to stay while house purchase is in progress, "residual" uses for students, singles or immigrant workers.

Within the private renting sector (PRS), renting an apartment by students can be indicated as 'a niche market'. A niche market is where demand regulates supply which mean supply is changed to meet the needs of a particular group (students). Students are able to adapt various types of property. They only need furnished apartment and allowance to share their apartment with two or more students. (Julie Rugg , David Rhodes & Anwen Jones.,2002)

Students are offered better terms and conditions by HEI (higher education institute) rather than in renting situation outside of the university. Properties for fresh students, especially foreign students coming from abroad are in priority based on understanding the fact that first year foreign students need some time to adopt new location and culture, and they are leaving their home for the first time. (Julie R., Janet F. & Roger B. , 2004)

The housing experience for students is a path to full independence. Sam, 18 years old student at Brighton noted that it was much easier to move out home for university rather than to move out for a new job place. (Julie R., Janet F. & Roger B. , 2004)

The space market is the business of utilization of real property such as apartments, build space or lands. It is also known as rental market. Individuals, companies are grouped in demand side, while the real estate owner is in the role of supply. The demand side of space market needs a space for housing consumption (for example, students) or for production (for example law firms). (David M.G, Norman G.M., Jim C., Piet E., 2010)

Student demand is one of possible tenant groups and it has an effect on other tenant groups as well. Such as niche market where students are in priority, other tenant group doesn't want to rent properties in student dominated areas. But even students can be pushed out of this market when the demand for properties is rising and students can be substituted by young single professionals who are able to pay higher for renting apartments. (Julie R. , David R. & Anwen J. 2000)

Renter should consider some criteria during his or her selection or rental apartment: environment, health and safety, recreation, services, design characteristics, utilities. (Tremblay, K. R. 2008).

Students studying in their post secondary education should be aware of two kinds of expenses such as the costs of living and the education fees. Cost of living covers daily expanses, outside life, transport and accommodation. The last point is not just a payment for renting an apartment, it is also included expenses such as water,

electricity, municipality monthly payment. Alexandra Z. also noted that excluding students living in dormitories 49% students of Polish universities are living with their parents, which causes to economy on rental and living costs. Just only 5% Polish students can afford to rent an apartment by themselves. And 20% of them are sharing their rental apartments with partners, roommates. (Zybrichka A. 2012).

## **Chapter 3**

### **FACTORS INFLUENCING IN RENTING DECISION OF EMU STUDENTS**

#### **3.1 Common problems of EMU students with landlords**

Problems with landlords are widespread for students living off campus. Students can face problems such as losing a rental deposit, breaking a lease, poor quality apartments with a high price, no allowance for monthly payments, lack of security and etc. Damaging any staff of apartment and not paying the monthly bills can cause losing deposit by students. Students before moving to an apartment should ask for a list of existing furniture, stuffs of apartments and check them up not to face any problem and not to be accused of any damage he or she didn't do. If there is any damage, he or she should immediately report to his or her landlord. Unfortunately, these simple rules are not followed by students and cause problems in future. Another reason of losing deposit is breaking lease which is not welcomed by landlords, this is why they put the point in contact about students' early leave of the apartment. In this case a student is obligated to look for a substitute for himself (herself) and overall apartment to a new renter. The problem occurs if there is more than one renter in the apartment and one of them decides to leave earlier. Student(s) renting with another person should be aware of it and should talk ahead with a landlord and if needed should make some changes in contract otherwise in case of leaving one of roommates, all payments are on rest renters.

In order to prevent late payment and earlier leaving landlords are asking minimum six month pre-payment with one or two months deposit which cause another problem for students as not all of them can afford to pay huge amount of renting in advance.

Another faced problem can be a rental agreement without juridical verification. It is essential for a student to ask a contract from their landlord. Landlords are making contracts without enthusiasm because the price written in contract affects the taxes he/she has to pay the government or some of them don't want the government to know about their owning rental houses.

Lack of security is one of the most disadvantages of renting apartment outside of the campus of EMU. Due to our survey students didn't put much attention on building security instead of putting this fact as one of prior criteria. Students in renting apartment outside of EMU campus are deprived of protection from thieves, noisy neighbors. It can be problematic for female students, especially from Middle East countries. (Due to our survey Middle East countries are on top in our list of foreign students).

### **3.2 Renting factors and possible consequences of high price in renting**

Eastern Mediterranean University has provided higher education since 1979, it is the only state university in TRNC. (Official site) This fact attracts a lot of students. As it is clear from our survey international students are mostly from Africa, Middle East, CIS countries with the age range of 18-27 mostly. The quantity of new students requires more rental apartments. Older students are aware of the consequences of late rental factors and try to find rental apartments before leaving for vacation to their

homeland. New students prefer EMU dormitories to rental apartments for the first period but then they are looking for rental apartments. As demand for rental apartment is at least stable, and even more is increasing rapidly, the price is increasing for 1500 -2500 TL every academic year as well. Beside high prices strong demand for rental properties in specific areas, especially around EMU campus causes to low standards of rental apartments. Landlords don't want to spend money and time to improve qualities of renting apartments as they are sure there will be always other students who are ready to stay in those apartments.

Beside to EMU state and private dormitories there are some set of apartments providing renting apartments, studios for students. Ekener, Yeldener, Tekant, Northerland, Pera are some of famous ones due to our survey. As the popularity of education at EMU is rising, as well as TRNC's, a lot of foreign students are coming, demand for rental apartments is rising as well, and unfortunately a number of renting apartments are not enough for all students and members of school dormitories can't satisfy the demand. Lack of rental apartments and a lot of new students create a good opportunity for landlords to make the price up than previous semesters. The students who can't afford the price set by the landlord are easily substituted by the students who will to pay. In 2012 the price for a studio in Ekener was 4500TL for one academic year. In 2014 the price is 7500TL. Price for a 1+1 in Pera was 5500TL for one academic year in 2013, now it is 7000TL. Another reason for the high price is raised price of electricity and other facilities such water, residence complex, street lights by TRNC government. Due to our survey students pay much attention about AC which means in winter and in summer they use AC a lot which causes a high bill for electricity usage. Solutions and impacts will be discussed in our last chapter. New students, especially bachelor degree ones are more naïve and can face a lot of

problems with landlords. Not knowing simple rules of renting procedure, lack information about Famagusta and rental prices can cause issues for new students. Cheated students don't have good association about Famagusta and it will affect to EMU reputation as well. Consequences of high rental price cause migration of some students to cheaper apartments or are coming back to EMU dormitories which brings to lack of the place for new students. The last consequences is not affordable for EMU this case can bring down satisfaction of new comers and weaken the first impression about EMU's student support effort. Beside impression, before moving to Famagusta to study, families and/or new students calculate their income and compare it to the expenses in Famagusta (live cost, education fee and accommodation fee). Beside qualified education EMU is famous for affordable tuition fees EMU is very generous about scholarships for its students, this fact helps students and their families in decisions which university of TRNC to choose. As another consequence of the high price is bringing down the sense of scholarship offered by EMU and increases the expense of students in Famagusta generally. This factor can cause to lose prospective students or can bring to the point when current students will transfer their education to other affordable universities of TRNC or to any other country, especially Turkey. I will give some managerial recommendations in the Chapters 6 in order to prevent this unwanted situation.

## **Chapter 4**

### **METHODOLOGY**

#### **4.1 Survey Design**

These kind of researches mostly requires data, which exists in a particular area as we are exploring criteria of apartment renting by EMU students. As it was noted before, making 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 the factor of renting apartments in Famagusta.

The first section of questions is meant to gather some general information about respondents (i.e. Their gender, age, education, job status, etc.). The second section (consisting of 12 questions) is about rental selection factors. This contains a five-point in which “1” indicates not Important at all and “5” to Very Important was conducted, to measure 12 items of significant points for renting selection.

Some relevant literature, especially Haddad, Judeh, Mahfuz, & Haddad, 2011 was used while creating revision of this questionnaire.

#### **4.2 Data Collection**

A specific group of students was given questionnaires in order to collect data for this study. Students living in EMU state and/or private dormitories, as well as to the students who are living out of campus were involved during questionnaire period. They were distributed to nearly 220 participants, living in various apartments,

dormitories during the spring academic semester of 2013-2014. 202 questionnaires were collected back and all of them were useful.

During distributing the questionnaire, some problems occurred, such as not giving back the survey after filling; open questions were not answered detailed, lack of time when students were filling the questionnaire in a rush not to be late for lectures.

## **4.2 Methodology**

Having summarized all surveys, various statistical methods conducted for the case. In this data analysis, table of frequency, standard deviation and mean table which are assumed as a part of important information were prepared by the software and also, every question was explored and analyzed individually. Our methodology was also led by independent sample t-test.

## **Chapter 5**

### **EMPIRICAL RESULTS**

#### **5.1 Descriptive statistics**

The descriptive statistics and the other methods were used to underline some special factors on the subject. Significant information and essential results for policy implications are used in descriptive statistics, which is useful for research studies (see Table 1). Table 1 where 202 participants answered 29 questions shows that the mean score of some factors of rental house selections is higher than the others, indicating their importance compared to the other factors. It also shows the categories of factors such as the most important factors for rental house criteria in TRNC to the less important criteria, based on the mean score of each question.

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

Table 5.1 contains the maximum, minimum, mean score and standard deviation of each question. As we see in this table, the significant factor compared to others belongs to “AC” factor (cooling and heating condition) (4.70), meanwhile the least one is “duration of renting” factor with 2.45 mean points among 202 repliers. Additionally, furniture, distance from university, parking place and building security were indicated as important as other significant factors such (mean score is 4.16)

Table 5.1: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Furniture	202	1.00	5.00	4.5099	.99371
Distance	202	1.00	5.00	4.2574	1.01387
Building security	202	1.00	5.00	3.7030	.99795
Kitchen stuff	202	1.00	5.00	3.6040	1.10250
Washing machine	202	1.00	5.00	3.5000	1.16435
Tv satellite	201	1.00	5.00	3.0846	1.13922
Balcony	202	1.00	5.00	2.9950	1.16967
Prestige of place	202	1.00	5.00	2.7574	1.12660
Age of building	202	1.00	5.00	2.6782	1.17622
Personality of renter	202	1.00	5.00	2.9406	1.26035
Parking place	202	1.00	5.00	3.7030	1.32743
AC	202	1.00	5.00	4.7079	.73223
How long have you rented	202	1.00	4.00	2.4554	.88126

The Cronbach's estimate coefficient was used in Table 5.2, it indicates that 29 questions of this survey are consistent (0.725 is greater than 0.6). Using factor analysis, we can also see if the questions are individually consistent or not.

Cronbach's alpha with the help of the SPSS software is used to investigate the reliability of research questions and its value was equal to 0.7255. The amount of Cronbach's alpha should be more than 0.6 due to the statistical fact in order to be confirmed. With (0.725) our survey was confirmed. See Nunnally, J. C. (1978).

Table 5.2: Reliability Statistics

Cronbach's Alpha	N of Items
.725	12

The communalities of each factor are displayed in Table 5.3. Factors that are less than 0.5 are suggested to be dropped in the literature. Table 5.3 shows the extraction of questions to be 0.6 and above, so they were useful for our analyses.

Table 5.3: Communalities

	Initial	Extraction
Furniture	1.000	.746
Distance	1.000	.733
Building security	1.000	.585
Kitchen stuff	1.000	.661
Washing machine	1.000	.715
Tv satellite	1.000	.652
Balcony	1.000	.741
Prestige of place	1.000	.761
Age of building	1.000	.812
Personality of renter	1.000	.676
Parking place	1.000	.780
Ac	1.000	.748

Extraction Method: Principal Component Analysis.

The first part of our questionnaire includes general information such as gender, age, job status, occupation, education level, nationality, rent type, number of roommates. The percentage of each question and the answers frequency were also estimated. Table 5.4 displays the frequency and percentage of question based on gender. In the frequency column, we see 103 of 202 of responders belong to male group, rest 99 belongs to the female, which is accepted at 51% of responders were male and 49% were female.

Table 5.4: Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	103	51.0	51.0	51.0
Valid female	99	49.0	49.0	100.0
Total	202	100.0	100.0	

Table 5.5 shows the frequency and percentage of another question, related to ages of responders. The high frequency and percentage was found in the age interval of 18-27. The frequency was 135 and the percentage is 66.8

Table 5.5: Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-27	135	66.8	66.8	66.8
Valid 28-37	59	29.2	29.2	96.0
Valid 38-47	5	2.5	2.5	98.5
Valid 48-57	2	1.0	1.0	99.5
Valid 57 and above	1	.5	.5	100.0
Total	202	100.0	100.0	

In Table 5.6, in which the job-status was estimated, almost half of responders were found out as unemployed which means 99 out of 202. It was an expected indicator that students who are studying have never worked or don't work at the moment because they had to leave their job in order to come to North Cyprus to study.

Table 5.6: Job status

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Full time	44	21.8	21.8	21.8
Part time	59	29.2	29.2	51.0
Unemployed	99	49.0	49.0	100.0
Total	202	100.0	100.0	

In the table 5.7 we can see clearly the fact that the students of EMU are mostly unemployed (99 out of 202), Second dominant group belongs to students with professions.

Table 5.7: Occupation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Business	22	10.9	10.9	10.9
Government	7	3.5	3.5	14.4
Professional	29	14.4	14.4	28.7
Private Sector	45	22.3	22.3	51.0
Unemployed	99	49.0	49.0	100.0
Total	202	100.0	100.0	

In the table 5.8 it is obvious that students filling the questionnaire have university level (bachelor background). Although it is not proven, but there is probably that responders are mostly students studying for a master degree in EMU

Table 5.8: Education level

	Frequency	Percent	Valid Percent	Cumulative Percent
High School	26	12.9	12.9	12.9
Technical School	8	4.0	4.0	16.8
University	137	67.8	67.8	84.7
Postgraduate	31	15.3	15.3	100.0
Total	202	100.0	100.0	

In 5.9 table, we will find out that the students of EMU are mostly from CIS (Azerbaijan, Kazakhstan and etc.) and Africa (Nigeria, Ghana, Cameroon and its) and Middle East (Iran, Palestine and etc.) The least number of students belongs to America. (Canada, USA and etc)

Table 5.9: Nationality

	Frequency	Percent	Valid Percent	Cumulative Percent
Turkish Cypriot	17	8.4	8.4	8.4
Turkish	37	18.3	18.3	26.7
Former USSR	43	21.3	21.3	48.0
Africa	43	21.3	21.3	69.3
Middle East	39	19.3	19.3	88.6
America	4	2.0	2.0	90.6
European	5	2.5	2.5	93.1
Other	14	6.9	6.9	100.0
Total	202	100.0	100.0	

The Results in Table 5.10 display that warranty offered is satisfactory ( $t=1.971$ ; 10%), AC (cooling and heating condition) ( $t=1.840$ ; 10%), furniture, distance to university ( $t= 2.537$ ; 5%) are the most important factors influencing on renting

apartments criteria. It is also found out that the most range rage, main country names and education level of EMU students are important. High price on rental apartments can affect the university selection criteria, whereas losing prospective students can hit financial situation of EMU. Least important factors are age of building, prestige of place and duration of their stay.

Table 5.10: Independent Sample t-test

	gender	N	Mean	T-test	Significant level
Furniture	male	103	4.4563	1.971	.10756
	female	99	4.5657		
Distance	male	103	4.1553	1.04560	.10303
	female	99	4.3636	2.537	.00546
Building security	male	103	3.6408		
	female	99	3.7677	.95648	.09613
Kitchen stuff	male	103	3.4272		
	female	99	3.7879	1.12733	.11330
Washing machine	male	103	3.3592		
	female	99	3.6465	1.23976	.12460
Tv satellite	male	103	3.0000		
	female	98	3.1735	1.15790	.11697
Balcony	male	103	2.9806	1.12877	.11122
	female	99	3.0101	1.21634	.12225
Prestige of place	male	103	2.7864	1.19353	.11760
	female	99	2.7273	1.05770	.10630
Age of building	male	103	2.7087	1.24169	.12235
	female	99	2.6465	1.10945	.11150
Personality of renter	male	103	3.0194	1.32828	.13088
	female	99	2.8586	1.18675	.11927
Parking place	male	103	3.8252	1.32419	.13048
	female	99	3.5758	1.32550	.13322
AC	male	103	4.6602	1.840	.10001
	female	99	4.7576		
Satisfied with place	male	103	3.3495	1.34097	.13213
	female	99	3.3939	1.32340	.13301
How long have you rented	male	103	2.4854	.92740	.09138
	female	99	2.4242	.83411	.08383

## Chapter 6

### CONCLUSION AND MANAGERIAL IMPLICATION

#### 6.1 Conclusion

As our survey was confirmed with (0.725) with the help of Cronbach's alpha so we can see from our surveys and tables EMU students are mostly coming from CIS, Middle East and Africa countries with the range of 18-27 with frequency 135 (66.8%) typically. Female are 99 and male responders are 103 which means 51% to 49%. Our responders are mostly unemployed, which is normal for students. While choosing rental apartments our responders are putting attention of AC (cooling and heating condition), furniture and distance to university faculties. On the hand factors such as "prestige of place" and "age of building play the minimum role in renting decision. Due to Sample t-test furniture, AC (cooling and heating, condition) and distance are more important to females (4.5657, 4.7576 and 4.3636) and to males at the same time. Least important factors are the age of the building, the prestige of the place and the duration of their stay.

#### 6.2 Managerial implications

This thesis tried to understand simple needs of any EMU student, their preference and criteria during renting procedure. As EMU's rank is increasing, both private and state don't have enough places which means parents should have to find an apartment out of EMU campus. This situation creates a monopoly price for renting apartments. Landlords are speculating the price as demand for real estate is getting high. This thesis suggests EMU to create communities which will be responsible for

placing new and current students out of EMU campus. Anti monopoly rental community (AMRC) of EMU will be responsible for protecting the rights of students, especially new ones and students who don't know Turkish. AMRC should track the procedure of renting, examine the contract concluded between landlord and EMU students, should have an influence on the price. In this situation students will be protected from speculative landlords and families of students will feel more comfortable for their children. AMRC should always be ready to support and help EMU students in case of problems occurred during rental procedure. Beside it AMRC should have a representative with polyglot skills in order to prevent misunderstanding of new comers if s/he doesn't know English/Turkish well. AMRC can be created within universities or any real estate of Famagusta can perform AMRC duties. My recommended real estate agency is Home Global Invest (HGI) Company.

Another managerial recommendation is suggesting EMU as an investor for new constructions within Famagusta. EMU can also make contracts with existing construction firms of Famagusta such as Dovec, Uzun, Noyanlar, Northerland. Thus EMU will have an influence on the price of rental apartments for its students and control construction companies' price demand and also it will help to change the situation from lack of supply into oversupply where students can have better standards and conditions. AMRC can be a good representative of EMU while making contracts with construction companies. In case of corporation EMU with Home Global Invest, this case will be easy as HGI already has made a contract with these construction companies.

Going beyond EMU can honor successful students by suggesting discounted rental apartments to its students as well it does for dormitories and those students can pay by monthly.

The concepts of this thesis could be useful for practical framework when students and/or individuals would like to rent accommodations, apartments and any other type of residential places. And also findings of this thesis with regard to demographic characteristics can be extensive practical use mainly for real estate agencies to direct their regard to the demographic factors that can have effect while making the decision.

As it is noted the new community anti monopoly rental community (AMRC) should be launched in order to protect students' rights as renters. The community will explore governmental rules and laws regardless to renting the apartments and will follow for implementation of them. Students should feel free to contact with AMRC immediately in case of any issues with their landlords. AMRC should take notes, collect the cases occurred between students and landlords, put them into the system. It is believed to be useful for future studies and solving problems more effectively. Students are to be informed about their rights as a renter. Rules and rights can be put on the EMU official site, and also in the handbook of EMU at the end where accommodations and dormitory information took place. And also, AMRC can make a list of trusted landlords, create their portfolios so EMU students can make their own decisions and make their own choice of landlords. I believe in efficiency of these methods in assisting our prospective and current students and strength the reputation of EMU as a university most caring about their prospective, current and alumni students.

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## **APPENDICES**

## **Appendix A:** Factors influencing in renting decision of emu students

Dear Participant,

I would like to make contribution in finding the best solution in student-renter problems happening in Famagusta. Please read question carefully and answer honestly as these answers will help me a lot in writing my thesis about this problem.

Regards,

Prof Sami Fethi and Vefa Huseynova

## **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. Job status in your home country:

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

6. Your occupation in your home country

- a. Business      b. Government      c. Professional      d. Private sector

c. Unemployed

4. Education Level

- a. Primary School      b. Secondary/High School      c. Technical school

d. University      e. Post graduate

5. Nationality

a. Turkish Cypriot      b. Turkish      c. Former USSR (please indicate)

d. Africa (please indicate) \_\_\_\_\_      e. Middle East (please indicate)

h. European (please indicate) \_\_\_\_\_      g. Other country (please indicate)

6. Rent type

a. Studio/One room    b. 1+1    c. 2+1    d. 3+1    e. Purchased    f. Other option

7. How many roommates do you have

None    b. One (1)    c. Two (2)    d. Three (3)    e. More than 4 (4<)

## Appendix C: Renting factors

### PART B. Renting factor

Here are 12 questions on renting selection factors. Please indicate your answer according to a five-point Likert Scale in which “1” indicates not Important at all and “5” to Very Important ”

Not Important at all

Very Important

1      2      3      4      5

ID	Real Estate:	LIKERT`S SCALE				
1.	If it has furniture	1	2	3	4	5
2.	Distance from university	1	2	3	4	5
3.	If it has building security	1	2	3	4	5
4.	If it has kitchen stuff in the flat	1	2	3	4	5
5.	If it has washing machine	1	2	3	4	5
6.	If it has television satellite and/or TV	1	2	3	4	5
7.	If it has balcony	1	2	3	4	5
8.	Prestige of the place	1	2	3	4	5
9.	Age of building	1	2	3	4	5
10.	Personality of renter	1	2	3	4	5
11.	If it has a parking place	1	2	3	4	5
12.	If it has AC	1	2	3	4	5

II.

#### **Are you satisfied with the price?**

Extremely satisfied  
 Moderately satisfied  
 Slightly satisfied  
 Neither satisfied or dissatisfied  
 Slightly dissatisfied  
 Moderately dissatisfied  
 Extremely dissatisfied

#### **Duration of your renting flat?**

One semester  
 Two semesters  
 More than one year

Till I find another flat with suitable price

**Which residence are you staying in?**

Private EMU dormitory within campus  
State EMU dormitory (Sabanci, Dau 1-4)  
Ekener  
Noyanlar  
Pera  
Dovec  
Other(please indicate)\_\_\_\_\_

**Which way of payment did you pay? (You can add your comment)**

Pre paid by credit card (I paid before coming to North Cyprus)  
Pre paid credit card/cash ( I paid being on North Cyprus)  
I am paying by monthly  
I don't pay, I have 100% full scholarship

**The price of one year rent**

3500 tl - 4500 tl for one academic year  
4500 tl - 5500 tl for one academic year  
5500 tl - 6500 tl for one academic year  
6500 tl - 8500 tl for one academic year  
9500 tl - 10500 tl for one academic year  
10500 tl – and more for one academic year  
I don't pay, I have 100% full scholarship  
I pay per month. Amount is \_\_\_\_ per month

**Are you paying extra water and/or electricity supply?**

I don't pay for water, I pay for electricity  
I pay both water and electricity  
I don't pay for electricity, I pay for water  
I don't pay any of them, bills are included into rental expense

III.

**Did you get disappointment in renting your flat?**

Yes / No

Are you happy with Famagusta?

Yes / No

IV.

Are there any special conditions for you to rent this flat? (for example owner doesn't let you have pet or doesn't let your guests spend a night in your flat?)

Did you have any problems with your renter. Please describe as much as you can:

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