

# **Study on Real Estate in India**

**Yash Tambe<sup>1</sup> and Prof. Parizad Bhesania<sup>2</sup>**

Research Scholar<sup>1</sup> and Assistant Professor<sup>2</sup>

The Byramjee Jeejeebhoy College of Commerce, Mumbai, Maharashtra, India

**Abstract:** *The goal of the current study was to examine India's real estate market, which is booming but has little scholarly presence. The research questions that followed were whether direct real estate investment is sufficient to be classified as an asset class how it fits into an asset portfolio alongside equities; macroeconomic factors that affect it which time series model is best suited for the return series on the Indian real estate market; and how these factors affect It adds to the dearth of academic research on the dynamics of the housing market in developing nations like India.*

*The research made an effort to gather information. Property investment, purchase, and sale decisions are based on the property's market worth. There are problems in determining the property's true value and calculating the estate's rate of return. By tackling valuation related problems with a grasp of real estate rate, one can examine the efficacy of previous choices and arrive at sound judgements for the future. Over the past few years, Pune, a significant Indian city, has grown at a rapid pace. Real estate prices have increased as a result of rising housing demand and property investment.*

*An investigation on the patterns and fluctuations of real estate prices in Pune, as well as the factors that impact them, has been undertaken. By examining the impact on non-professional retail investors on real estate market investing decisions, the study has attempted to add to the paucity of existing research. It adds to the dearth of academic research on the dynamics of the housing market in developing nations like India. In order to reduce the bias caused by missing variables, the study collected data on a large number of explanatory variables. In order to assess the impact of the feedback loop effect on the outcomes, the research employed two different ordering sequences for the shocks. The research broadens our understanding of the connection between investment satisfaction, reinvestment intention.*

**Keywords:** real estate

## **I. INTRODUCTION**

The phrase "real estate" was first mentioned in the 1660s and has the oldest English meaning. Its connotation of being, actual, or genuine is taken from Latin, while estate is the word for land. Real estate is any property that is made up of either land or houses.

Real estate includes land, structures, and the natural resources it contains, such as crops, minerals, or water. It also includes immovable property of this kind, an interest held in real estate, and more broadly, buildings or houses in general. Real estate is not the same as personal property, which includes things like cars, boats, jewellery, furniture, tools, and farm equipment that are not permanently affixed to the land. When it comes to real estate markets, supply is the amount of properties that are for sale or lease, and demand is the total number of potential purchasers or renters looking for a particular type of property at a given price in a market within a defined time frame.

The price at which a property is most likely to sell in a competitive market is its market value. A fair amount of time allowed for exposure to the open market, sufficient marketing efforts, and a buyer and seller who are both typically motivated and acting in their best interests are some of the factors that affect it. Additionally, the price represents the normal consideration for the property sold and is not impacted by unusual or creative financing or sales concessions offered by anyone. Land, encompassing the air above and the ground below it, as well as any buildings or other structures on it, are all considered to be parts of "real estate." Realty is another name for it.

Residential homes, business offices, trade spaces, and industrial structures are all included. The buying, selling, and development of land as well as residential and non-residential buildings are all part of real estate. The principal participants in the real estate industry comprise landlords, builders, developers, agents, tenants, and purchasers, among

others. The housing and building industries are included in the real estate sector's operations, India's real estate market has grown in significance as a result of economic liberalisation.

The ensuing rise in commercial prospects from price theory to contract theory, matching games to bargaining games, market structure to the theory of the firm, moral hazard to adverse selection problems, agency theory to search theory, and so on, the complex real estate transaction provides an exciting laboratory for the analysis of numerous intriguing economic problems and the application of various economic models.

During a real estate transaction, brokers are more involved than any other third party, nearly all stages, such as deciding on an asking price approach, finding a trading partner, developing a matching and negotiating strategy, getting a mortgage, and closing.

### **Objectives :**

Promoting moral and professional business conduct in real estate consultancy within the Indian real estate industry is the main goal of NAR-INDIA. Our aim is to unite all real estate consultants under one roof, with the shared goal of establishing the best possible standards and procedures for real estate consulting—nothing less. The association's primary goals are:

- To build friendly, wholesome relationships and encourage esprit de corps and fraternity among the members.
- To offer a platform for educating the public about the duties and responsibilities of real estate consultants.
- To uphold ethical and proper practices in order to foster a positive public perception of the estate agent profession.
- To provide a meeting space where participants could discuss and find solutions to problems they were having.
- To give members access to resources for information sharing about the building industry.
- To gather and share statistical, technical, and other information about the building industry and related interests; to spread knowledge among its members about all issues pertaining to the building industry and related trades; and to print, publish, issue, and distribute said information as well as other items or calculations meant to further these interests.
- To schedule expert lectures to help members with technical, tax, and legal issues.
- To raise awareness of the responsibilities and rights of real estate consultants.
- To associate with and be associated with other organisations that have the same goals.
- To invest Association funds as the Association may, in its best interests, think appropriate and fit.

## **II. RESEARCH METHODOLOGY**

The area of philosophy known as epistemology studies the foundations of knowing and the grounds upon which knowledge is based. The field lays out a variety of methods for acquiring data and knowledge, which serves as a foundation for "knowing what we know."

Because information quality is so important in today's cutthroat society, researchers ought to be more conscious of the epistemological foundations of their work.

1. There are numerous recommended techniques in the real estate industry for gathering market data and other vital information. To be sure, there have been early attempts to balance the evaluation process with other research methodologies and scientific methods.

2. Real estate-related problems frequently lend themselves to quantitative data. After all, acreage, square footage, sale prices, interest rates, and other exact or almost perfect metrics can be used to characterise a large portion of real estate. In addition, there are countless opinions about a home, a neighbourhood, and an area that can sway lenders, tenants, buyers, sellers, and other real estate market participants. In addition to potentially directly influencing sale prices and other quantitative data, these views and unique incentives may also have an impact on more qualitative problems.

3. Good qualitative research should not be seen as a simple stand-in for statistical or quantitative studies; rather, it should be paired with the most rigorous quantitative research.

4. When combined, qualitative and quantitative data can provide a deeper insight of market dynamics and motivations.

5. Solely via having honest discussions with people and letting them share their tales without interference from our preconceived notions or what we have read in the literature can we gather qualitative information.

### III. CONCLUSION

The study attempts to close the knowledge gap in the academic community regarding India's rapidly expanding real estate market, which hasn't gotten much attention despite its rapid expansion. The study advances knowledge in this subject by addressing important research problems related to the categorization of direct real estate investment as an asset class, its integration into portfolios alongside stocks, macroeconomic implications, and appropriate analytical tools. The research offers useful insights for practitioners, policymakers, and stakeholders through an examination of valuation problems, decision-making processes, and the influence of non-professional retail investors, with a specific focus on Pune's market dynamics. Additionally, the study provides a deeper insight of market dynamics and motivations by utilising an extensive research technique that blends quantitative and qualitative approaches, thereby improving decision-making processes in the real estate in India.

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