

REIT: A Regulation Framework to Educate and Engage Investors, Improves Trust Ability, Creative Thinking and Transparency

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Received: 22-May-2023

Revised: 15-June-2023

Accepted:06-July-2023

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Abstract

Purpose: This study focuses to understand the Investor's perception about REITs , REIT provides all the solution to the worries of investors and provide a frame work to educate and engage investors, improve their trust and build transparency . So that they can change their perception that how this underutilised instrument can gain popularity in country as it does in other leading economies.

Design/Methodology/Approach: This study's sample design is convenience sampling, and the research design is descriptive. The sample size for this study is 41 and the sample frame is all types of investors in Country. A systematic questionnaire will be used to gather the main source of data. Utilising statistical methods, the data gathered by the questionnaire will be examined.

Findings: The results of the study indicate that there is a positive perception amongst the investors in Country regarding REITs, however the study found that the performance of REITs in Country has been promising, with consistent growth in the past few years, and it is expected to continue in the future.

Practical Implications: The study's conclusions can help investors, financial institutions, and governments better understand REITs and their expansion in Country. This study may also aid in educating Countryn investors about REITs.

Social Implications: This study can have a significant impact on the Countryn economy as with more awareness in the field of REITs, small scale investors or people with low capital can invest in Countryn Real estate through REITs and help in growth of real estate sector and can be a key role in the growth of the real estate sector.

Originality/Value: This study is original and valuable as it sheds light on the Countryn investors' perception about REITs. By highlighting the elements that affect investors' perceptions of Countryn REITs, it also adds to the body of current material.

Keywords: Investors, Investor Psychology, trust ability, creative thinking

Introduction

Investor perception refers to the beliefs, opinions, and attitudes that investors hold about a company or the market in general. The way investors perceive a company can impact its stock price, valuation, and ability to raise capital. (Jane Jenson, 2009). There is extensive research on investor perception and its impact on the stock market. For example, a study by Barber and Odean (2001) found that investors tend to overreact to news and that this overreaction can create market inefficiencies. Another study by Lakonishok, Shleifer, and Vishny (1992) found that investors tend to have a bias towards local companies, leading them to invest more heavily in companies located in their own geographic region.

Publicly listed businesses known as Real Estate Investment Trusts (REITs) invest in a diverse portfolio of real estate assets and pay out at least 90% of their taxable income as dividends to shareholders. Due to its capacity to give investors access to a variety of real estate assets as well as their potential for both income and capital growth, REITs have grown in popularity as an investment choice over the past few decades. (University of Pennsylvania's Wharton School, 2012)

Without having to buy and maintain the properties themselves, REITs give investors access to a variety of real estate assets, including office buildings, residences, retail stores, and industrial facilities. The Asia-Pacific region accounted for the highest portion of the industry, with a \$2.3 trillion worldwide market capitalization for REITs as of 2020, according to a JLL analysis. Research on the performance and features of REITs in various industries has expanded as a result of the global REIT market's expansion.

places and marketplaces. In 2021, the National Association of Real Estate Investment Trusts

In order to give institutional and ordinary investors alike a new route for investing, REITs were first established in Country in 2014. In 2014, regulations regulating the creation and operation of REITs in Country were published by the Securities and Exchange Board of Country (SEBI). In order to make these restrictions more investor-friendly, they were later changed in 2016 (Bothra & Nair, 2014; Walia et al., 2023)

In Country, REITs must release to investors at least 90% of their net distributable income. For individuals looking for reliable income streams, they are an attractive investment option. One of the key advantages of doing so is the tax efficiency of REITs in Country. If REITs transfer at least 90% of their net distributable income to investors, they are free from paying taxes on their rental revenue. Additionally, investors in REITs are taxed at a lower rate than those who invest directly in physical real estate assets (Bani Amrit Kaur, 2014; Dr. Manoj P K, 2016; Gupta et al., 2017; Walia et al., 2023)

Since the introduction of REITs in Country, several companies have launched REITs, providing investors with a diverse range of investment options. The first REIT to be launched in Country was the Embassy Office Parks REIT in 2019. This REIT was backed by Embassy Group and Blackstone, and had a portfolio of 32 million square feet of office space across Country. Since then, several other REITs have been launched, including the According to Akinsomi (2021), Bani Amrit Kaur (2014), Dr. Manoj P K (2016), and Ghosh & Kumar (2010), three real estate investment trusts are Mindspace Business Parks REIT, Brookfield Country Real Estate Trust, and CountryBulls REIT.

According to industry reports, the total investment in REITs in Country crossed the Rs. 1 lakh crore mark in December 2021. The retail investors' contribution to this investment is not publicly available, but it is estimated to be a significant portion of the total investment. (Walia et al., 2023). It is important to keep in mind that Country's REIT AUM is still rather low when compared to other countries, such as the US, where REIT AUM is over \$1 trillion. However, with the increasing interest in REITs among investors in Country, it is likely that the AUM of REITs in Country will continue to grow in the coming years (Baral & Mei, 2022).

One of the reasons why investors are attracted to REITs is that they offer the potential for stable and predictable income streams. Unlike other real estate investments, REITs must pay shareholders dividends totaling at least 90% of their taxable revenue. This means that investors can expect to receive regular dividend payments from their REIT investments, which can provide a steady source of income (Sari et al., 2020). Another factor driving investor interest in REITs is the potential for capital appreciation. Despite the advantages of REITs, investors need to be aware of certain possible hazards as well. The fact that REITs are susceptible to changes in the real estate market, which might affect their performance, is one of the main hazards. Additionally, Changes in interest rates may have an impact on REITs since they can raise borrowing costs and lower the profitability of real estate investments. (Nyachiro & Jagongo, 2017).

In conclusion, investors in Country have shown a positive perception of REITs due to their potential for stable income streams and capital appreciation. However, investors should also be aware of the potential risks associated with these investments and carefully evaluate the investment opportunity before investing in REITs (KAYHAN et al., 2021).

By this research we aim to have an investors perception on the growing REITs market in Country and shortcomings to be worked upon to help in the growth of REITs in Country, the data collection method we followed for this research is through existing research articles and investors surveys.

Review of Literature

(Kayhan et al., 2021) compared the different investment avenues in Turkey apart from the traditional investments namely Mutual Fund, Pension Fund, Funds for venture capital and real estate investing. The Capital

Market Board's official website provided the pertinent data for the study. A quantitative approach, such as the Dickey Fuller test, was used to conduct the research. With the help of the VAR model, the Johansen Cointegration test, and the vector error correction model, the subsequent study came to the conclusion that, despite being included in the AUM (asset under management) of some Turkish investment organizations, these avenues still have a lot of ground to cover and a sizable market to penetrate.

(Baral & Mei, 2022a) analyzed the growth and performance of wood REITs in the United States during the last five years, as well as tactical strategies to take advantage of the opportunity by using REITs as a vehicle for investment. The research also focuses on how climate change and legislation regarding the same might affect timber REITs in the foreseen future. The study was conducted in the United States with the Dickey Fuller test, VAR model etc. The research was done using systematic online database query and bibliography literature search of each literature available on the topic. The key findings of this research were that in the past two decades timber REITs have expanded and grown exponentially but now due to improper management of timber land and absence of tax benefits, investment in timber REITs is slowing down. The research also focuses on how climate change and legislation regarding the same might affect timber REITs in the foreseen future.

(Akinsomi, 2021) studied the performance of REITs index and Reit's sector in global aspect during the covid pandemic. The study was conducted by taking relevant data from global REITs indexes and were compared to the performance of REITs pre pandemic time. The chi-square test and the z test were two examples of quantitative tests used in the research. The study's main conclusions were that the pandemic had a negative impact on global REITs, particularly because of lockdowns and social isolation that occurred all over the world and caused a decrease in capital investments in the real estate sector. As a result, REITs faced challenges in bringing in rent and generating the right kind of returns.

(Govindasamy, 2019) conducted research on developments in the Country commodity and derivatives market including the rise and performance of REITs in Country. The data used in conducting the research was collected from various websites, books, journals and reports. The research concluded that REITs are now up and coming investment avenues for the investors in the country with currently two REITs trading on the stock exchange of the country. The government has introduced relaxations for people wanting to invest in REITs in order to attract more capital in the sector realizing the potential of the sector to generate returns for the public.

(Bothra & Nair, 2014) undertook study on the rules and guidelines SEBI provided with regard to REITs as a potential investment outlet in the nation at the time REITs were launched in Country. The study used qualitative information from published studies, reports, published scholars and government publications. The study shed light on the regulations introduced by SEBI and interpretations for the same and how the growth of the country's real estate industry may be aided by REITs.

(Nyachiro & Jagongo, 2017) conducted research by undertaking an extensive assessment of the current literature on the function of REITs in a mixed asset portfolio. The study was conducted in Malaysia taking US, UK, Australia and Malaysia as its sample size. Qualitative method of empirical review of literature of past scholars was used to conduct the research. According to the study, although trading in REITs occurs more often, investors should increase their direct real estate investments in order to diversify their portfolios. REITs and direct real estate investments are equivalent over the long run as opposed to the short term.

(Ghosh & Kumar, 2010) conducted research on the emerging Reit regime in Country and how the government is trying to incentivise investors to attract capital in the sector to institutionalize real estate investments in the country. The study was carried out in Country using relevant qualitative methods and using data from different literature papers and articles and government publications. According to the report, REITs are gradually expanding in the nation as a result of the government introducing investor-friendly regulations and exemptions in an effort to draw foreign direct investments into the industry and aid the unorganized real estate sector's transformation into an institutional sector.

(Letdin et al., 2019) studied and analyzed the return from REITs as REITs are the new upcoming and attractive alternative source of investments. The study was conducted in the US using valuation models to calculate appropriate return given by REITs and volatility of Reit return were also taken into consideration in respect to other investment avenues like stocks, mutual funds, bonds etc in order to come to a decision. The research found that there are several external factors and internal factors which can affect the return of REITs and to what extent these factors affect the returns and the asset valuation of REITs including investor sentiments about direct real estate investments.

(Sari et al., 2020) reviewed past research on the use of REITs as a source of finance for developers of real estate. The study was conducted in Indonesia using theoretical mapping of various papers obtained from reputed journals. According to the study, there are a number of benefits and drawbacks for developers who utilize REITs

as a source of funding. It also revealed that because REITs are a relatively new idea and many experts are actively studying their features, we do not yet fully understand them.

(Boudry et al., 2012) carried out research on the various hybrid properties of REITs, or the relationships between REITs and direct real estate investments. MIT TBI indicators, other pertinent data from several research publications and journals, and a cointegration technique were all used in the study, which was carried out in the USA. The analysis showed that direct real estate investments have relatively little influence on the volatility of return of REITs in the short term but have a stronger association in the long term, and the returns from both of these investment channels adapt towards equilibrium in the long term.

(Gupta et al., 2017) The purpose of the study which was performed in Country with participants from the same location was to comprehend the relevance of real estate fund management in Country. Transaction data was gathered from Venture Intelligence and VCC Edge, two secondary databases, in the lack of publicly accessible credible data on real estate investment. Using additional information from a variety of freely accessible sources, such as commercial and government databases, these data were combined to create a comprehensive data collection and Annual reports, investor portals, publications, and stock market notifications. These publicly accessible sources and industry contact were used to fill up the gaps, duplicate information, and data inconsistencies between these two sources. The research came to a conclusion about the breadth of REITs in Country, their future prospects, and what the government ought to do to support various investor groups.

(Hoesli & Oikarinen, n.d.) The study was conducted in Switzerland with the study region as UK, USA and Australia and the goal of The study sought to determine the relationship between various investment vehicles, including REITs and the stock market, among others. The method of study was trace-test and innovative accounting. According to research based on sector-level REIT and direct real estate indexes for the United States and the United Kingdom, securitized and direct real estate markets are intertwined over the long term. Since neither direct real estate nor stock market shocks appear to be dictating REIT market performance, it appears that REIT returns are essentially independent of shocks in other assets. But a sizable portion of the direct real estate indexes' long-horizon forecast error variation can be attributed to REIT return shocks. This suggests that the direct and securitized markets are intertwined, and that predictability progresses from REITs to TBI, i.e., "real estate shocks" occur first in the REIT market before the direct market makes adjustments to them.

(Omokhomion & Egbu, 2019) studied and analyzed home REITs help in making property decisions, study was conducted in London with the area size of UK & USA. Methodology used for the study, comparison of the market capitalisation reported by MSCI as of May 31st, 2018, MSCI World Real Estate Index (\$1.2 trillion) and MSCI World REITs Index (\$8.8 billion) it is possible to observe the importance of the REITs to the global listed real estate sector. According to studies, further investigation is needed.

Steps and procedures used in both established and developing regimes when making investment decisions on REITs.

(Bani Amrit Kaur, 2014) The study's goal was to identify opportunities for institutional investors in the REITs sector. It was conducted in the USA and Country. The methodology for the study was qualitative, the data was collected through previous literature reviews and multiple interviews with the experts in the area of REITs. The key finding of the study was, In the Global Real Estate Transparency Index (GRET) 2020, Country has climbed to the 34th spot thanks to ongoing regulatory improvements in the real estate industry. Country REITs have pushed for the institutionalization of Country real estate, which was much required. This is expected to increase international funds' trust and encourage them to invest in Country, along with the successful listing of REITs.

(Walia et al., 2023) The study's focus was on the development and early performance of REITs in Country, and both domestic and international markets were examined. The method used for the study was quantitative and data was collected from stock market performance, Census of Country and World Bank published government data. The study's findings were that Country REITs outperform bonds between April 2019 and July 2022 despite lockdowns caused by the coronavirus illness 2019 (COVID-19), which harmed the notion of working from an office. The allocation of REITs to a portfolio of heterogeneous Country assets as well as the advantages of diversification were also investigated.

(Bagaria Soma, 2013) research was conducted with the aim of understanding and overviewing the REITs, the location and area of study is Country, and the methodology used for the research was mostly qualitative and data was collected from previous research articles. The study concluded, In Country, a real estate fund may be set up either as an alternative investment fund ("AIF") or a real estate mutual fund, depending upon the targeted investors and investment strategy and policy of the fund.

(Newell, 2021) This paper reviewed a few of the future research opportunities for the Asian real estate market. These opportunities covered real estate market dynamics, alternative real estate sectors, REITs, development sites, real estate transparency, real estate in emerging markets, infrastructure, sustainability, and the changing nature of work and real estate. Asia was the focus of the research, which was carried out in Australia. The study came to the conclusion that real estate investment trusts (REITs) in Asia offer listed exposure to real estate in seven Asian REIT markets: Japan, Singapore, Hong Kong, South Korea, Malaysia, Taiwan, and Thailand. It has been long anticipated (and long overdue) that REIT markets would eventually emerge in China and Country.

(Chandrusha & Kumar, 2016) The research covers suggestions on the working model of REITs in Country, since it's a relatively new investment avenue in Country, the location and area of study is Country. Methodologies used for the research are more qualitative in nature, data collection methods involve Journals, Periodicals and government policies analysis reports. The study concluded, Launching REITs might assure higher liquidity in this sector, which could alleviate the demand supply mismatch as well, when capital market developments and unfavorable macroeconomic conditions are negatively affecting investor emotions. REITs are also beneficial because they give real estate developers a way out. As REITs mature, the healthcare, infrastructure, and other stabilized yield sectors

REITs can also be formed from producing assets.

(Dr. Krishan Kumar Tanwani, 2014) conducted an imperative study on the Real Estate sector in it is important for both Country and the rest of the world to understand how Country real estate has changed, modernized, expanded, and built capacity while also making a significant contribution to the country's overall economic progress. 100 questionnaires covering all the Zones of Country real estate were distributed to top executives of PSUs, private businesses, and municipal corporations as sources of primary data. NAV (Net Asset Value) method of valuation and Companies that deal in real estate have employed the capital asset pricing model. The majority of the respondents to the study agree that the robust economic fundamentals of Country are positively affecting all asset classes of Country real estate, including housing, commercial-office space, retail, and hospitality. They also believe that offshoring and globalization in general have had direct and indirect effects on the supply chain for the building of real estate.

(Aveline-Dubach, 2016) used information from many writers and the Hong Kong capital markets research how REITs are developing inside the REIT-based indirect real estate investment channel. The study analyzed the H-REIT property portfolios' geographical dispersion. Real estate developers' proactive mediation and a high level of official involvement are required for the formation of financial instruments based on the urban fabric. The study is a first effort to define the distinctive urban and social dynamics that the "securitized" (property) investment channel has triggered.

To better comprehend how liquid capital is rooted in regional real estate markets, additional empirical study on the management practises of REITs in different city-regions is required.

(Ong et al., 2008) analysed the likelihood of stock offers by REITs in Japan and Singapore, declared returns, and the influence of market circumstances on asset purchases in a research on Seasoned Equity Issuance by Asian REITs. The Asian experience is noteworthy, particularly in light of the widespread use of yield accretive techniques. They found that equity clustering affects market reaction and SEO issuance and that a concurrent acquisition announcement reduces the negative price effect of the SEO announcement utilising public data from journals, stock exchanges, and research organisations. Today's REIT payout is anticipated to greatly reduce the difficulties faced by engineers, and it could be a required adjustment to the land sector.

(Brounen & de Koning, 2012) undertook a global analysis of the development and profitability of REITs over a 50-year period. Data on 210 REITs from Asia, Europe, and North America that are listed on the EPRA REIT Indices, the GPR 250 Europe Index, and the GPR 250 Index were gathered. They used Sharpe's traditional CAPM study and additionally conducted a three-factor model specification to evaluate the accuracy of the assessment of stock outperformance and loading on systematic risk. They discovered that since the U.S. Real Estate Investment Trust Act was passed in 1960, REITs have grown enormously. However, before the trust structure's popularity could truly take off, many legal measures would be required to increase the choices for REITs to engage in property management and development. During the 1990s, European REITs underperformed their North American counterparts, but this trend has now reversed. Additionally, they discovered proof that the risk profile.

Regional variations and company leverage have an impact on REITs as represented by market betas.

(Pandey Richa & v. Mary Jessica, 2016) attempted learn how real estate fits into a portfolio of several assets and why it must be securitized in order to be investable in the Country setting. Granger's causality test and the Johansen cointegration test were used to determine if real estate investments are a substitute for or a diversifier for the Country financial sector. It was discovered that the stock market and the real estate market are segmented, and that there is neither a long-term nor a short-term link between these markets. As a result, these two assets can be maintained in a portfolio for diversification purposes. A good asset class for investment, according to descriptive data.

(Sah et al., 2013) conducted a deep study to find if green REITs were valued more and how REITs could be used to satisfy the growing CSR needs of a corporation. To examine the link between different quintiles of the q ratio, they utilized a quantile regression model. Return on average assets (ROA), leased area (LA), total assets (TA), 3-year beta (Be), a dummy for programme partnership (P), and upgrowth (EPG) are the independent variables utilized in the model. It was discovered that many people who own real estate that generates income and are traded on the capital markets have gradually begun to construct a green portfolio. The question we pose here is whether shareholders have directly profited from green efforts, in addition to the advantages of building a more socially responsible portfolio.

(Han et al., 1998) collected data on institutional ownership of all REIT stocks between 1984 and 1995, and compared it to data on institutional ownership of a group of companies that were chosen from the general stock market and matched the businesses in terms of market size. Analysis revealed a distinct pattern of institutional investors' behavior.

It also provided an answer to the issue of whether institutional investors have been more interested in REIT equities recently. engagement in the REIT market through time. To determine if institutional investors exclusively invest in particular types of REIT stocks and whether one REIT stock is controlled by a small number of institutional investors, they analyzed a variety of market data and annual reports from companies. It was discovered that institutional investors that traded REIT equities did not seem to focus their holdings on a small number of REIT firms. On average, institutional investors still maintain a diverse portfolio of REIT stocks. It's encouraging to see how the REIT stock market is progressing. It is envisaged that the agency issues currently present in the REIT stock market will be resolved in the future with significant involvement from institutional investors. More significantly, the REIT stock market offers scholars a strong chance to test theories about corporate control and shareholder activism because of the shift in the level of institutional participation.

(Dr. Manoj P K, 2016) undertook research to evaluate the role and potential of Real Estate Investment Trusts (REITs) for accelerating housing construction in Country in the context of the New Regulatory Policies of SEBI. Descriptive-analytical and exploratory technique was used. The research was descriptive in the sense that it discussed the changes in the Country real estate market with an emphasis on REITs' contribution to the sector's quick growth and SEBI's involvement in encouraging REITs. Since investing in real estate has become increasingly expensive for smaller investors due to the recent rise in real estate prices, the investigation came to the conclusion that REITs are particularly suited to the current Country situation. The capital market changes and the unfavorable macroeconomic environment have a negative impact on sentiment. The introduction of REITs might assure improved liquidity in this industry and help close the demand-supply gap. Additionally, REITs are advantageous because they give real estate developers a way out. Healthcare, infrastructure, and other stabilized yield-generating assets may be added to REITs as they develop.

(Gupta et al., 2017) did a study on the importance of Country real estate fund management. To fill in the gaps in this category, they used additional data from a variety of publicly accessible sources, including corporate and investor websites, newspapers, stock market announcements, and annual reports. They examined the Private Equity Real Estate (PERE) transaction data for the years 2005 to 2015 in Country. Depending on the significant political, economic, and policy events that affected these investment phases, investments during this time were divided into three categories. 2005-2008, 2009-2013, and 2014-2015 are the three stages. Investors preferred making opportunistic equity investments in projects under construction during the initial phase. Equity investments were converted to structured debt during the second phase. Institutional investors and fund managers made long-term investments during the third phase via platform transactions.

(Dennis R. Cappozza and Paul J. Seguin, 2003) conducted a study on REITs in order to give readers a sample of the different general directions of inquiry regarding REITs or using REITs, to provide three non-exclusive catalysts for the explosion of REITs, to give readers a brief understanding of the unique characteristics of REITs, and to show how changes in the regulatory environment have changed how people perceive REITs. They compare the historical CAGR in different time frames with different regulatory environments and discuss how REITs have become more interesting over time for the investors.

Research Gap

In recent years, the Country's real estate market has seen a rise in the popularity of real estate investment trusts (REITs) (Sari et al., 2020). To properly grasp the potential of REITs in Country, there are a number of research gaps that must be filled. By concentrating on how investors in Country see REITs, this article hopes to fill some of these research gaps (Bagaria Soma, 2013; Govindasamy, 2019). In recent years, the real estate industry in Country has seen a rise in the popularity of real estate investment trusts (REITs). To properly comprehend the potential of REITs in Country, a number of research gaps must be filled. The requirement to examine REIT performance in Country is one of the main research gaps. This includes their financial performance overall, risk considerations, and returns. This data can assist policymakers in comprehending the effects of REITs on the Country's economy and assist investors in making well-informed investment decisions (Sari et al., 2020; Letdin et al., 2019). Another important research gap is the lack of research on the perception of investors towards REITs in Country. It is crucial to understand how investors perceive REITs, their understanding of REITs, their risk appetite, and their willingness to invest in REITs (Pandey Richa & v. Mary Jessica, 2016). This information can help market participants tailor their marketing strategies and create investment products that are more appealing to investors. The impact of SEBI regulations on the growth and development of REITs in Country is another area that requires further research. The SEBI has put in place various regulations to govern the functioning of REITs in Country. However, It is significant to comprehend how the country's REIT industry has evolved and grown in response to these restrictions (Bothra & Nair, 2014; Govindasamy, 2019).

Market segmentation of REITs in Country is another area that requires more research. This includes understanding the types of properties that are suitable for REIT investment and the geographical locations that are most attractive to REIT investors. This information can help investors and developers make more informed investment decisions (Dr. Manoj P K, 2016; Walia et al., 2023).

Finally, there is a need to study the part REITs play in Country's financing of real estate. They affect bank lending as well as the availability of funding for real estate developments, among other things. According to the following studies (Bothra & Nair, 2014; Chandrusha & Kumar, 2016; Govindasamy, 2019; Gupta et al., 2017), this information can aid policymakers in understanding the potential of REITs as a financing choice for real estate developments in Country.

Research Objective

Due to the consistent revenues and alluring capital gains, the real estate industry has recently experienced tremendous expansion in the Country's economy and is one of the top investment opportunities.

However, when compared to other world's top nations, Country's Real Estate Investment Trusts (REITs) idea has underperformed. The sector holds immense scope for further growth of the sector through inflow of more capital and subsequent rise in demand. Real estate in the country traditionally limits new investors to opt for this alternative investment opportunity due to the minimum corpus required. With the introduction of REITs even small investors can pool in money to the trusts which solves this huge problem and has the tendency to revitalize and reorganize Country's real estate market. Our research aims to comprehend the

Investors' opinions about REITs in Country and how this underutilized tool may become more popular there, as it has in other developed nations.

Research Methodology

Investor perception on REITs in Country is a broad topic, to break it down the study. Firstly, Country's Investors in terms of Investment potential include institutional investors & individual investors, in terms of risk appetite include no risk investors, moderate investors and aggressive investors. For our study we have covered individual investors with different risk appetite, the reason for studying the retail investors is because REITs in Country are less explored by the individual investors and still dominated by the institutions.

Equity REITs, Mortgage REITs, Hybrid REITs, and Public Non-listed REITs are all types of REITs in Country. Since equities and mortgage REITs pay dividends and are simple to exchange on the stock market, they are more accessible to individuals for the study and goal of individual investments.

Sample Selection

The study's sample was drawn from the whole Country's population, and the survey's data were gathered using a 5-point Likert, nominal, and ordinal scale. Further, to decide on the exact variables for the study, the literature review and work of prior researchers were employed. Thus, the aim of investments, size of investments and area of investment, were chosen, as the variables, to represent the general investment perception of investors. The

investor's knowledge and perception on REITs in Country was determined by using 5-point Likert on constraints, tax benefits and implications and basic knowledge on Countryn REITs.

Source of data

The study on the following topic 'Investor perception on REITs in Country' is relatively new and less exploited. Hence, we used the primary data source i.e., the Countryn Investors. To know the perception of the investors on Countryn REITs market, We collected the data using a 5-point Likert scale questionnaire, with 1 representing strongly disagreement, 5 highly agreement, and 3 representing neutrality. The Questionnaire was validated and responses were collected from 41 investors, mostly made up of individual investors between the ages of 20 and 45. The study's primary goal was to determine the overall investment knowledge, behavior, and comprehension of retail investors as well as how they saw the Countryn REITs market.

Period of Study

The study was done in the period of one week in April 2023. The survey was successful with the mode of survey being questionnaire circulated through social media applications like Whatsapp and Instagram.

Tools used in the Study

Once the questionnaire was deemed appropriate and valid, it was then sent via social media on direct message and group broadcasting, with a response rate of 40, since most of them are still not aware about REITs in Country. To decode the relation between general investment variables (aim of investments, size of investments and area of investment) and REITs perception through (5-point Likert on constraints, tax benefits and implications and basic knowledge), statistical tools like descriptive analysis and factor analysis were performed.

Results and Discussions

Data was received from 41 respondents, out of which a little more than 75% of respondents had made an investment before. More than 70% of the investors have had experience in investments with stocks and mutual funds, a little more than 10% have invested in bonds previously. While 61% of the total respondents have considered investing in real estate before, only about 17% have made an investment in real estate. About 32% of the respondents have a portfolio value in the range of Rs. 10,000 to 50,000, 22% from Rs. 50,000 to 10,00,000, about 17% above Rs. 10,00,000 and 30% had had a small portfolio value of less than Rs. 10,000. The average portfolio size of all respondents by using the midpoint of each investment range and weighting each midpoint by the number of respondents in that range, was out to be around Rs. 325,000.

The primary investment objective of a little less than 70% of the respondents was found to be Long-term capital growth. 17% of the respondents focus on income generation and the rest of them invest for tax benefits or other reasons primarily.

High initial investment was found to be the most popular constraint in their real estate investments by the respondents with 4 out of every 5 people facing it. Legal requirements and limited liquidity were considered as a constraint by about 42% of the people, and slow legal system and complex regulations by about 17% of the respondents.

Component 1 - REITs Evaluation

Based on the data provided, it can be inferred that investors believe the overall health of The success of REITs is significantly influenced by the Countryn real estate market. Additionally, investors think that buying REITs is a smart method to benefit from the expansion of the Countryn real estate market and that REITs may offer a diverse real estate portfolio. Additionally, investors consider the location and quality of the properties owned by the REIT to be important

factors when considering investing in REITs in Country. Overall, investors seem to view REITs as a good option for investment in Country.

Component 2 - REITs Regulations

The information provided suggests that there is a perception in Country that investing in REITs is preferable to more conventional real estate investment choices. Additionally, the government's regulations regarding REITs are perceived as favourable. The management of REITs in Country is also perceived as transparent and accountable. Overall, these factors suggest that the regulatory environment for REITs in Country is conducive for investment.

Component 3 - REITs Familiarity

The data suggests that there are three main factors related to the familiarity of investors with REITs in Country. The variable "How often do you come across information related to REITs in Country?" is strongly associated with the first component, which accounts for 88.1% of the variance. This suggests that investors in Country are relatively exposed to information about REITs, and may be able to access relevant news, research, and analysis.

The variable "You are familiar with REITs as an investment option?" is strongly associated with the second component, which accounts for 8.15% of the variance. This suggests that there is some variation in terms of how familiar investors are with REITs, and that some may be more knowledgeable and experienced than others.

The variable "How much do you know about the benefits of investing in REITs in Country?" is associated with the third component, which accounts for 1.5% of the variance. This suggests that investors may not be fully aware of the potential advantages and disadvantages of investing in REITs, and may benefit from

more information and education on this topic.

Overall, the data suggests that there is some level of familiarity with REITs among investors in Country, but that more work may be needed to ensure that The advantages and hazards of choosing this investment choice are well known to investors.

Component 4 - Present Scenario of REITs in Country

The data suggests that there are four main factors related to the current REITs market in Country:

Liquidity of REITs: The variable "The liquidity of REITs (ability to easily buy and sell shares) is important when considering investing in REITs" is strongly associated with the first component, which accounts for 10.7% of the variance. This suggests that investors in Country are concerned about the ease of buying and selling REIT shares, and that this may be an important factor to consider when evaluating the attractiveness of this investment option.

Performance consistency over the past 5 years: The variable "Performance of REITs in Country are consistent over the past 5 years" is associated with the second component, which accounts for 0.584% of the variance. This suggests that investors may be interested in the historical performance of REITs in Country, and that consistent returns over time may be an important factor in their decision-making.

Tax benefits: The variable "Investing in REITs have tax benefits" is associated with the third component, which accounts for 0.61% of the variance. This suggests that investors may be interested in the potential tax advantages associated with investing in REITs, such as tax exemptions on dividend income.

Safety of investment: The variable "It is safe to invest in REITs in Country" is also associated with the third component, which accounts for 0.623% of the variance. This suggests that investors may be concerned about the safety of their investments in REITs, and that perceptions of risk and security may be important factors to consider.

Overall, the data suggests that there are several factors that may be important to investors when evaluating the current REITs market in Country, including liquidity, performance consistency, tax benefits, and safety of investment.

Component 5 - REITs Knowledge

Based on the data, it appears that investors in Country are generally confident in the regulatory framework and oversight of the Countryn REIT market. The high communalities (0.771 and 0.800) associated with the variable "You trust the regulatory framework and oversight of the Countryn REIT market" suggest that this variable is strongly related to the underlying construct being measured. This indicates that investors generally trust the regulatory framework and oversight of the Countryn REIT market, which could influence their decision to invest in REITs.

The strong positive association (0.818) between the variable "You are confident in your ability to make informed investment decisions regarding REITs in Country" and the underlying construct suggests that investors are generally confident in their ability to make informed investment decisions regarding REITs in Country. This could be attributed to a better understanding of the investment option or information and education provided by the regulatory bodies.

The moderate positive association (0.717) between the variable "Size and market capitalization of the REIT is important when considering investing" and the underlying construct suggests that investors may consider the size and market capitalization of the REIT when making investment decisions. This indicates that the size and market capitalization of the REIT may be important considerations for investors when evaluating whether to invest in a particular REIT in Country.

Component 6 - Tax implication on REITs

Based on the data, it appears that tax implications When evaluating REITs in Country, investors' investment selections often take into account these factors. The high communalities (0.763 and 0.801) associated with the variable "Tax implications impact your decision to invest in REITs" indicate that this variable is strongly related to the underlying construct being measured. This suggests that investors are sensitive to tax implications, which could influence whether they decide to invest in REITs.

Furthermore, the moderate positive association (0.598) between the variable "You are likely to invest in REITs in the near future" and the first component suggests that there may be some interest in investing in REITs in the near future. However, the strength of this association is relatively weak, which indicates that other factors may also play a role in determining whether investors decide to invest in REITs.

Conclusion

In conclusion, the research paper on "Investors' perception on REITs in Country" has shed sheds some insight on the present state of REITs in Country and how investors see this type of investment. Through a thorough analysis of primary data collected from a survey of 41 respondents and secondary data gathered from various sources, it can be concluded that there is a positive perception among investors towards REITs in Country.

The study revealed that investors consider REITs as a profitable investment option due to the potential for regular income through dividends and capital appreciation. However, there are still some concerns regarding the transparency of the REIT structure and the lack of awareness among retail investors. The study also highlighted the need for more education and awareness campaigns to promote the benefits of REITs among investors.

Furthermore, the study found that the performance of REITs in Country has been promising, it has had steady growth over the last few years, and it is anticipated to do so going forward.. The introduction of regulatory changes and tax reforms has also helped in boosting the growth of the REIT market in Country.

Overall, the research concludes that REITs have a positive perception among investors in Country, and with the continued growth of the market and efforts to increase awareness, it is expected that more investors will consider REITs as a viable investment option.

Suggestions

Country's GDP and employment are both significantly influenced by the real estate industry. Here are some ideas for the government and REIT organizations to encourage REITs and the Country's real estate industry as a whole:

- **Investor Education:** Education is key when it comes to improving investor perception on REITs. Investors need to understand the fundamentals of REITs, including their structure, tax implications, and investment potential. With regular income streams and the potential for capital growth, REITs give investors the chance to participate in a diverse portfolio of real estate assets.
- **Transparency:** REITs should strive to maintain transparency in their operations, financial statements, and reporting. This will help build trust and confidence among investors and provide them with the necessary information to make informed investment decisions.
- **Performance:** REITs need to deliver strong financial performance to their investors. This can be achieved by investing in quality real estate assets, maintaining high occupancy rates, and generating steady income streams. REITs should also provide regular updates on their performance, including their net asset value (NAV) and distribution yields.
- **Regulatory Framework:** The regulatory framework for REITs in Country should be robust and investor-friendly. The government should take steps to encourage the growth of the REIT industry by providing tax incentives and simplifying the regulatory process.

- **Infrastructure development:** The government should focus on infrastructure development, including improving connectivity, building smart cities, and upgrading existing infrastructure. This will create demand for real estate development and boost the growth of the sector.
- **Investor Engagement:** REITs should engage with their investors regularly and provide them with timely updates on their operations, financial performance, and any major developments. This will help build a strong relationship between the REIT and its investors, leading to greater confidence and trust in the investment.
- **Tax incentives:** The government should provide tax incentives to real estate developers and investors to encourage investment in the sector. Tax incentives can include lower tax rates, deductions, and exemptions.
- **Ease of doing business:** The government should simplify the regulatory framework for real estate development and REITs. This will make it easier for developers to obtain necessary approvals and permits and for REITs to operate in the country.
- **Streamlined approval processes:** The government should streamline the approval processes for real estate projects. This will reduce delays and the cost of development and make the sector more attractive to investors.
- **Affordable housing:** The government should focus on promoting affordable housing by providing incentives for developers and buyers. This will address the housing shortage in the country and create demand for real estate development.
- **Investor protection:** The government should take steps to protect the interests of REIT investors by ensuring transparency, disclosure, and compliance with regulations.
- **Investment in REITs:** The government can encourage investment in REITs by allowing pension funds, insurance companies, and other institutional investors to invest in REITs. This will provide a stable source of capital for the sector.

In summary, the government can boost real estate and REITs in Country by focusing on infrastructure development, providing tax incentives, simplifying the regulatory framework, promoting affordable housing, protecting investor interests, and encouraging investment in REITs. By taking these steps, the government can establish a climate that would encourage the real estate sector's expansion and bring in more foreign capital. Overall, improving investor perception on REITs in Country will require a concerted effort from all stakeholders, including the government, REITs, and investors themselves. By educating investors, maintaining transparency, delivering strong financial performance, providing a supportive regulatory framework, and engaging with investors, REITs can build a strong foundation for growth and success in Country.

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Table 2 shows results of Factor Analysis

Component Name	Variable	Total Variance Explained	Communalities	Rotated Values
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REITs Evaluation	Performance of REITs in Country is dependent on the overall health of the real estate sector	18.515	.816	.878
	Investing in REITs is a good way to participate in the growth of		.818	.842

	the Countryn real estate market			
	REITs have the ability to provide a diversified real estate portfolio		.737	.739
	The location and quality of the properties owned by the REIT is important when considering investing		.781	.676
	REITs is a good option for investment in Country		.662	.567

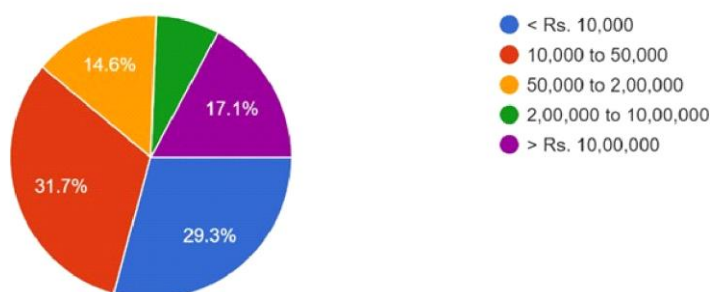
REITs Regulations	Investing in REITs rather than traditional real estate investment options is better	13.678	.767	.831
	Countryn government's regulations regarding REITs are favourable		.705	.738
	Management of REITs is transparent and accountable in Country		.807	.591

REITs Familiarity	How often do you come across information related to REITs in Country?	10.749	.881	.925
	You are familiar with REITs as an investment option?		.788	.715
	How much do you know about the benefits of		.634	.625

	investing in REITs in Country?			
Present Scenario of REITs in Country	The liquidity of REITs (ability to easily buy and sell shares) is important when considering investing in	10.7	.727	-.679

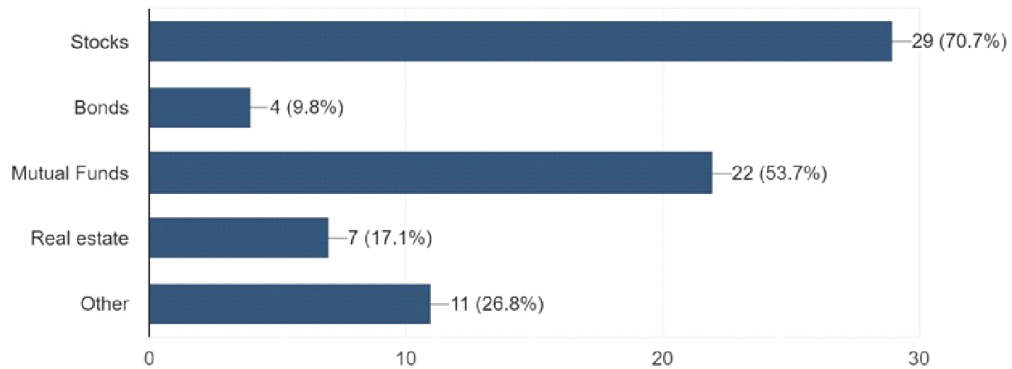
	REITs			
	Performance of REITs in Country are consistent over the past 5 years		.584	.644
	Investing in REITs have tax benefits		.610	.630
	It is safe to invest in REITs in Country		.623	.623
REITs Knowledge	You trust the regulatory framework and oversight of the Countryn REIT market	10.431	.771	.800
	You are confident in your ability to make informed investment decisions regarding REITs in Country		.818	.739
	Size and market capitalization of the REIT is important when considering investing		.717	.536
Tax implication on REITs	Tax implications impact your decision to invest in REITs	9.128	.763	.801
	You are likely to invest in REITs in the near future		.598	.678

Your total portfolio lies in the range of
 41 responses



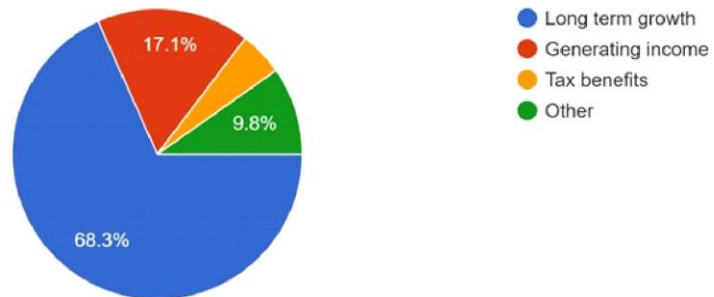
What type of investment have you made in past?

41 responses



What is your primary reason for investment?

41 responses



What are the constrains affecting your real estat

41 responses

