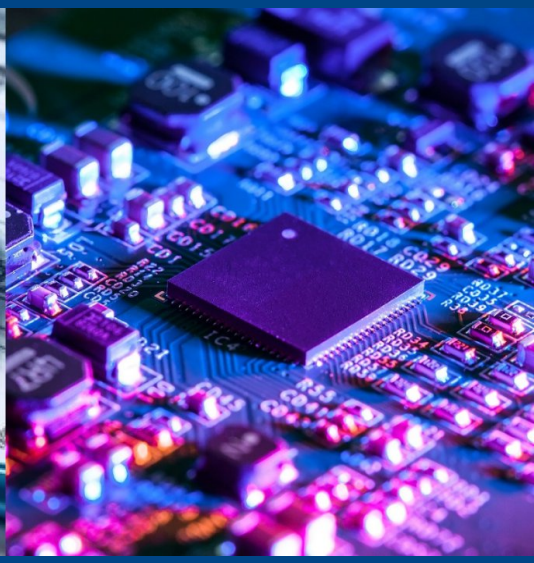
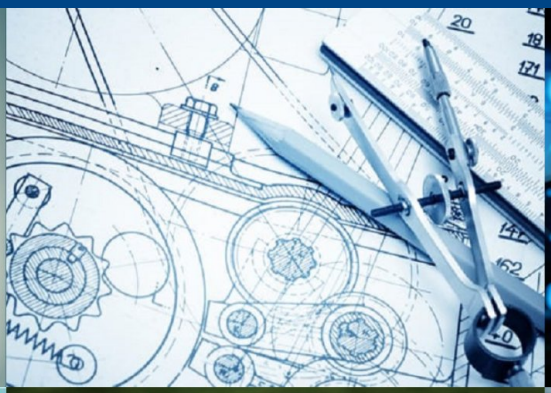
ISSN: 2582-7219

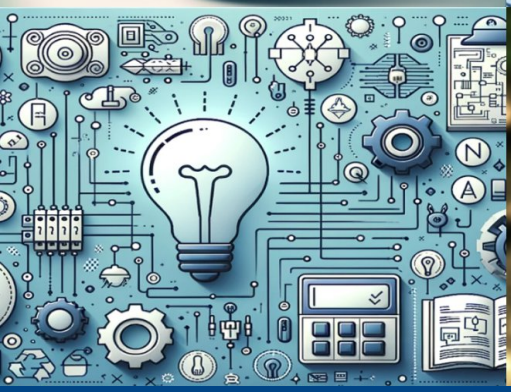




International Journal of Multidisciplinary Research in Science, Engineering and Technology

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)



Impact Factor: 8.206 **Volume 9, Issue 4, April 2026**

© 2026 IJMRSET | Volume 9, Issue 4, April 2026| DOI:10.15680/IJMRSET.2026.0904091

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

A Study on Factors Influencing Real Estate Investment Decisions of Individual Investors in Bengaluru

Dilip Gowda, Dr. Lubna Ambreen

MBA, CMS Business School, JAIN (Deemed-to-be University), Bengaluru, Karnataka, India

Faculty of Management Studies, CMS Business School, JAIN (Deemed-to-be University), Bengaluru, Karnataka, India

ABSTRACT: Background & Objective

Real estate remains one of the most preferred and culturally significant investment avenues in India. This study investigates the key factors influencing real estate investment decisions among individual investors in Bengaluru India's foremost technology-driven metropolis amid rapid urbanisation, expanding IT/ITES ecosystems, and evolving regulatory frameworks

Methodology

A quantitative, descriptive-analytical research design was adopted. Primary data was collected from 50 individual investors via structured questionnaire using a five-point Likert scale, distributed through Google Forms, direct surveys, and social media. Data analysis employed descriptive statistics, Pearson correlation, and multiple linear regression.

Key Findings

Location and connectivity emerged as the most dominant factor (Mean = 4.58), followed by infrastructure development (Mean = 4.42) and property price/affordability (Mean = 4.30). Regression analysis identified location as the strongest predictor ($\beta = 0.42$), with the model explaining approximately 68% of variance in investment decisions ($R^2 = 0.68$, $p < 0.001$). All four research hypotheses were accepted. Risk perception demonstrated a significant negative relationship with investment decisions ($r = -0.48$)

Conclusion

The study reveals a growing investor appetite for emerging micro-markets such as North Bengaluru (5-year CAGR: 13.8%), Sarjapur Road, and Kanakapura Road. Evidence-based recommendations are provided for investors, developers, financial institutions, and policymakers to foster a more transparent and inclusive real estate investment environment.

KEYWORDS: Real estate investment · Bengaluru · Location factors · Infrastructure · Behavioural finance · RERA · Investor behaviour

I. INTRODUCTION AND LITERATURE REVIEW

1.1 Introduction

Real estate has traditionally been regarded as one of the most reliable and preferred investment avenues in India. Unlike financial assets such as stocks or bonds, real estate is a tangible asset that provides investors with a sense of security and ownership. This tangibility, combined with the dual benefits of capital appreciation and rental income, makes it an attractive investment option across different income groups. In the Indian context, cultural preferences often favour ownership of land and property, giving real estate even greater significance as both an economic and emotional investment.

Over the past few decades, India has witnessed rapid economic growth, urbanisation, and industrialisation, significantly contributing to real estate sector expansion. Bengaluru has emerged as one of the most dynamic and rapidly growing real estate markets in the country. The city, often referred to as the "Silicon Valley of India," has attracted major

© 2026 IJMRSET | Volume 9, Issue 4, April 2026| DOI:10.15680/IJMRSET.2026.0904091

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

multinational corporations, IT parks, and startups, creating a large influx of skilled professionals that has driven substantial demand for housing.

Key factors contributing to market growth include the expansion of IT/ITES employment hubs across Whitefield, Electronic City, Outer Ring Road, and Manyata Tech Park; the development of Kempe Gowda International Airport acting as a catalyst for North Bengaluru's growth; and regulatory developments including RERA, which has increased transparency and investor confidence.

1.2 Background of the Bengaluru Real Estate Market

The Bengaluru real estate market represents one of the most dynamic urban property ecosystems in India, transformed over three decades from a laid-back administrative hub to a global economic powerhouse. The combined impact of IT growth, infrastructure development, airport expansion, and changing lifestyle preferences has fundamentally reshaped its structure and scale.

IT/ITES Growth and Market Trajectory

The cornerstone of Bengaluru's real estate boom is the extraordinary growth of the IT/ITES sector. Since the late 1990s, companies such as Infosys, Wipro, TCS, Accenture, and IBM have established large campuses, creating a robust employment ecosystem attracting professionals from across India. This has generated demand spanning from affordable compact apartments for young professionals to luxury villas for senior executives and expatriates.

Indicator	2015	2018	2020	2022	2024 (Est.)
IT/ITES Employees (Lakh)	9.8	12.6	14.1	15.3	17.2
Grade A Office Absorbed (mn sq.ft)	8.2	12.1	9.4*	14.8	18.3
No. of Active Startups	4,200	7,100	8,900	11,400	14,800
FDI in IT Sector (₹ Billion)	84	138	142	196	241

Table 1: Bengaluru IT/ITES Sector Growth Indicators, 2015–2024 | Sources: NASSCOM, JLL India, CREDAI Karnataka, RBI

Namma Metro Expansion

The expansion of Namma Metro has played a transformative role in shaping real estate values. Areas located near metro stations have experienced higher demand and price appreciation, consistent with the concept of transit-oriented development (TOD). The extension of the metro to Whitefield significantly boosted real estate activity in that corridor, while future phases are expected to further unlock peripheral regions.

Airport Corridor Development

The development of Kempe Gowda International Airport has been a game-changer for North Bengaluru's real estate. Areas such as Hebbal, Yelahanka, Devanahalli, and Bagalur have attracted considerable developer and investor attention, driven by large-scale planned infrastructure including aerospace parks, logistics hubs, IT parks, and SEZs. Relatively lower entry prices combined with strong future growth potential make this corridor particularly attractive.

1.3 Statement of the Problem

Despite the growth and attractiveness of Bengaluru's real estate market, individual investors face considerable uncertainty in their decision-making. Price volatility across micro-markets, the complexity of regulatory changes (RERA, GST, stamp duty reforms), market risks tied to broader economic conditions, and behavioural biases such as herd behaviour and overconfidence collectively make real estate investment decisions far from straightforward. This study systematically analyses the factors driving these decisions to reduce uncertainty and improve investor outcomes.

© 2026 IJMRSET | Volume 9, Issue 4, April 2026| DOI:10.15680/IJMRSET.2026.0904091

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

1.4 Research Objectives

The study pursues four primary objectives:

- To identify and examine the key factors influencing real estate investment decisions of individual investors in Bengaluru.
- To analyse the behavioural patterns of investors, including risk tolerance, decision-making style, and market awareness.
- To study the risk and return perceptions of investors and how they balance these considerations.
- To provide practical, evidence-based recommendations for investors, developers, financial institutions, and policymakers.

1.5 Research Hypotheses

Hypothesis	Statement	Expected Direction
H_1 (Location)	Significant positive relationship between location/connectivity and investment decisions.	Positive
H_2 (Infrastructure)	Infrastructure development significantly and positively influences investment decisions.	Positive
H_3 (Financial)	Income level and loan availability significantly influence investment decisions.	Positive
H_4 (Risk)	Risk perception has a significant negative relationship with investment decisions.	Negative

Table 2: Research Hypotheses Framework

1.6 Literature Review

The theoretical foundation of this study rests on two principal frameworks from behavioural finance. Behavioural Finance Theory challenges the classical assumption of investor rationality by demonstrating that decisions are shaped by psychological biases — overconfidence, anchoring, herd behaviour, and loss aversion — all of which are observable in Bengaluru's real estate market. Prospect Theory (Kahneman & Tversky, 1979) further explains how investors evaluate gains and losses asymmetrically, value outcomes relative to reference points (e.g., purchase price), and are influenced by the framing of information.

Empirical studies consistently identify location, infrastructure, and financial factors as the primary determinants of real estate investment decisions. Studies on Indian urban markets confirm the primacy of proximity to employment hubs and metro connectivity, the role of RERA in enhancing builder trust, and the sensitivity of investors to affordability constraints. A critical gap identified in the literature is the absence of integrated, city-specific, and updated research that combines financial and behavioural determinants while addressing Bengaluru's micro-market heterogeneity a gap this study is designed to address.

II. RESEARCH METHODOLOGY

2.1 Research Design and Approach

This study adopts a quantitative, descriptive-analytical, cross-sectional research design. A quantitative approach is appropriate given the objectives of measuring the relative importance of specific factors, testing hypothesised relationships between variables, and drawing generalisable conclusions about investor behaviour. The cross-sectional design captures the current state of investor attitudes and behaviour at a single point in time, commensurate with the study's scope and resources.

2.2 Sampling Strategy

The target population comprises individual (non-institutional) investors in Bengaluru who have invested in, or are actively considering, residential or commercial real estate within the past five years. Given the absence of a comprehensive sampling frame, purposive convenience sampling was employed across three channels: (1) structured

© 2026 IJMRSET | Volume 9, Issue 4, April 2026| DOI:10.15680/IJMRSET.2026.0904091

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

digital questionnaires via Google Forms distributed through social media, real estate forums, and professional networks; (2) direct in-person surveys at property expos, bank loan centres, and developer offices; and (3) referral sampling.

A sample of 50 respondents was obtained. A pilot study with 15 respondents was conducted prior to the main data collection phase to validate questionnaire clarity and internal consistency. Minor revisions were made based on pilot feedback.

2.3 Data Collection Instrument

The structured questionnaire comprised four sections: Section A (demographics: age, gender, occupation, income, education); Section B (investment preferences: property type, holding period, micro-market, purpose); Section C (eight key influencing factors rated on a five-point Likert scale); and Section D (general opinions on risk, information sources, and emerging micro-markets). The eight factors Location and Connectivity, Infrastructure Development, Property Price and Affordability, Builder Reputation and Trust, Capital Appreciation Potential, Loan Availability and Interest Rates, Government Policies (RERA/Tax), and Risk Perception were selected based on a systematic literature review.

2.4 Variables and Reliability

The dependent variable is a composite Investment Decision score. Eight independent variables were measured via multi-item Likert scales. Cronbach's Alpha coefficients ranged from 0.70 (Government Policies) to 0.82 (Investment Decision), all meeting the accepted threshold of ≥ 0.70 (Nunnally, 1978). The overall instrument alpha of 0.88 confirms very good internal consistency. Content validity was established through systematic literature review and consultation with two academic faculty members specialising in finance and real estate management.

2.5 Data Analysis Methods

The following statistical techniques were employed: Frequency and Percentage Analysis for demographic profiling; Descriptive Statistics (mean, standard deviation) for Likert-scale factor comparison; Pearson Product-Moment Correlation Analysis to examine bivariate relationships; Multiple Linear Regression Analysis to determine the relative predictive contribution of each factor; and Cross-tabulation with chi-square analysis for categorical relationships. Model fit was assessed via R^2, Adjusted R^2, F-statistic, and t-tests at $\alpha = 0.05$. Variance Inflation Factors (VIF) confirmed absence of severe multicollinearity.

III. DATA ANALYSIS AND FINDINGS

3.1 Respondent Profile

Data was collected from 50 individual real estate investors. The 26–35 years cohort represents the largest segment (44%), consistent with the demographic profile of Bengaluru's IT workforce achieving financial stability sufficient for property investment. The 36–45 years cohort accounts for 26%. Together, these two groups represent 70% of the sample. IT and software professionals dominate the respondent pool at 42%, reflecting the sector's primacy in Bengaluru's economy. The ₹10–20 Lakh annual income bracket is the largest (40%), consistent with senior IT professional salary levels. Notably, 36% of respondents are first-time real estate investors underscoring the continued inflow of new market participants driven by rising incomes, RERA transparency, and competitive home loan products.

3.2 Investment Preferences

Residential apartments are the preferred investment type for 42% of respondents, followed by independent villas (22%). The combined residential preference (64%) far exceeds commercial investments (14%) and land/plots (12%). The dominant holding period preference is 5–10 years, selected by 48% of respondents reflecting a long-term, wealth-building investment philosophy. Combined with those preferring more than 10 years (22%), 70% of investors adopt a long-term horizon, stabilising the market and reducing speculative trading. Capital appreciation is the primary investment motivation across all income groups.

3.3 Descriptive Statistics: Influencing Factors

The mean score analysis reveals a clear hierarchy of influencing factors, with Location and Connectivity registering the highest score (Mean = 4.58, SD = 0.62) and Risk Perception the lowest (Mean = 3.70, SD = 0.85).

© 2026 IJMRSET | Volume 9, Issue 4, April 2026| DOI:10.15680/IJMRSET.2026.0904091

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

Factor	N	Min	Max	Mean	Interpretation
Location and Connectivity	50	3	5	**4.58**	Very High Importance
Infrastructure Development	50	3	5	**4.42**	High Importance
Property Price and Affordability	50	2	5	**4.30**	High Importance
Builder Reputation and Trust	50	2	5	**4.18**	Important
Capital Appreciation Potential	50	2	5	**4.10**	Important
Loan Availability & Interest Rate	50	2	5	**3.92**	Moderate–High
Government Policies and RERA	50	2	5	**3.80**	Moderate
Risk Perception	50	1	5	**3.70**	Moderate Influence

Table 3: Descriptive Statistics — Factors Influencing Investment Decisions (Likert Scale 1–5, n = 50)

3.4 Correlation Analysis

Pearson Product-Moment Correlation Analysis reveals highly significant relationships. Location and Connectivity exhibits the strongest positive correlation with Investment Decision ($r = 0.78$, $p < 0.01$), followed by Infrastructure Development ($r = 0.72$, $p < 0.01$), Property Price ($r = 0.65$, $p < 0.01$), and Income Level ($r = 0.60$, $p < 0.01$). Risk Perception demonstrates a significant negative correlation ($r = -0.48$, $p < 0.01$), confirming Hypothesis H_4. All VIF values fell below 5.0, confirming that multicollinearity does not pose a serious threat to regression estimates.

Variable	Location	Infra.	Price	Income	Risk	Inv. Decision
Location	1.00	0.68**	0.54**	0.47**	−0.31*	**0.78****
Infrastructure	0.68**	1.00	0.59**	0.42**	−0.28*	**0.72****
Property Price	0.54**	0.59**	1.00	0.61**	−0.35*	**0.65****
Income Level	0.47**	0.42**	0.61**	1.00	−0.22	**0.60****
Risk Perception	−0.31*	−0.28*	−0.35*	−0.22	1.00	**−0.48****

*Table 4: Pearson Correlation Matrix — Key Study Variables | ** $p < 0.01$ (2-tailed); * $p < 0.05$ (2-tailed); $N = 50$*

3.5 Regression Analysis

Multiple Linear Regression was conducted with Investment Decision as the dependent variable. The model demonstrates excellent predictive power: $R^2 = 0.682$ indicating the five predictor variables collectively account for 68.2% of variance in investment decisions. The adjusted R^2 of 0.644 confirms this holds after penalising for model complexity. The model is highly statistically significant ($F = 18.47$, $p < 0.001$).

Location ($\beta = 0.42$, $p < 0.001$) is the strongest individual predictor. Infrastructure ($\beta = 0.31$, $p < 0.001$) is the second strongest, followed by Property Price ($\beta = 0.22$, $p = 0.003$), Income Level ($\beta = 0.18$, $p = 0.004$), and Risk Perception ($\beta = -0.19$, $p = 0.001$). The regression equation is:

Investment Decision = 0.42 + 0.48(Location) + 0.35(Infrastructure) + 0.22(Price) + 0.18(Income) − 0.21(Risk) + ε

Predictor Variable	Unstd. Coeff. B	Std. Error	Std. Beta (β)	p-value	VIF
Location	0.48	0.09	**0.42**	< 0.001	2.14
Infrastructure	0.35	0.08	**0.31**	< 0.001	2.08

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

Property Price	0.22	0.07	**0.22**	0.003	2.31
Income Level	0.18	0.06	**0.18**	0.004	2.22
Risk Perception	−0.21	0.06	**−0.19**	0.001	1.87

Table 5: Multiple Linear Regression — Coefficients | Dependent Variable: Investment Decision | $R^2 = 0.682$, Adj. $R^2 = 0.644$, $F = 18.47$, $p < 0.001$

3.6 Hypothesis Testing Summary

Hypothesis	Variable Tested	r	β	p-value	Decision
H_1: Location	Location vs. Inv. Decision	**+0.78**	**0.42**	< 0.001	✓ **ACCEPTED**
H_2: Infrastructure	Infrastructure vs. Inv. Decision	**+0.72**	**0.31**	< 0.001	✓ **ACCEPTED**
H_3: Financial	Income + Loan vs. Inv. Decision	**+0.60**	**0.18**	0.004	✓ **ACCEPTED**
H_4: Risk	Risk Perception vs. Inv. Decision	**−0.48**	**−0.19**	0.001	✓ **ACCEPTED**

Table 6: Hypothesis Testing Summary | All hypotheses tested at $\alpha = 0.05$; H_0 (null) rejected for all four hypotheses

3.7 Micro-Market Price Appreciation Analysis

Comparative analysis of average property prices across seven key Bengaluru micro-markets between 2019 and 2024 reveals striking variation. North Bengaluru demonstrates the highest percentage appreciation (91%, CAGR 13.8%), driven by the airport corridor effect and large-scale planned development. Outer Ring Road recorded the highest absolute appreciation in price per sq.ft. (₹6,800 to ₹10,200; 50%, CAGR 8.4%). These data validate investor interest in emerging micro-markets where entry prices remain lower but appreciation potential is demonstrably high.

Micro-Market	2019 Price (₹/sq.ft)	2024 Price (₹/sq.ft)	Appreciation (%)	CAGR (%)
Outer Ring Road	₹6,800	₹10,200	+50.0%	8.4%
Whitefield	₹5,200	₹8,400	+61.5%	10.1%
Sarjapur Road	₹4,600	₹7,200	+56.5%	9.4%
Hebbal	₹5,500	₹8,800	+60.0%	9.9%
Electronic City	₹4,100	₹6,300	+53.7%	8.9%
North Bengaluru	**₹3,200**	**₹6,100**	**+90.6%**	**13.8% ★**
Kanakapura Road	₹3,800	₹5,900	+55.3%	9.2%

Table 7: Micro-Market Property Price Appreciation and CAGR, 2019–2024 | ★ Highest CAGR | Sources: JLL India, Anarock, Magicbricks Propindex 2024

© 2026 IJMRSET | Volume 9, Issue 4, April 2026| DOI:10.15680/IJMRSET.2026.0904091

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

IV. FINDINGS, RECOMMENDATIONS AND CONCLUSION

4.1 Key Findings

Finding 1: Location is the Paramount Decision Factor

Location and connectivity is unequivocally the most dominant factor influencing real estate investment decisions in Bengaluru (Mean = 4.58, r = 0.78, β = 0.42). This finding is robust across all demographic segments and all analytical methods applied. Investors overwhelmingly prioritise proximity to IT employment hubs, metro rail accessibility, road connectivity, and social infrastructure. In Bengaluru's traffic-congested environment, differences of as little as 2–3 kilometres can translate to materially different commute times and consequently to dramatically different property values and rental yields.

Finding 2: Infrastructure Development Drives Long-Term Appreciation

Infrastructure Development ranks second (Mean = 4.42, r = 0.72, β = 0.31). Investors are forward-looking, placing significant weight on announced and under-construction projects when assessing appreciation potential. This explains strong investor interest in North Bengaluru, whose current infrastructure is still maturing but whose future trajectory anchored by airport expansion, Metro Phase 3, and planned SEZs promises substantial returns.

Finding 3: Affordability as a Binding Constraint

While investors demonstrate aspirational preferences for superior locations, affordability remains a binding constraint (Mean = 4.30, r = 0.65, β = 0.22). The dominant income cohort (₹10–20 Lakh p.a.) faces real budget constraints that determine accessible micro-markets and property types. The strong income-investment correlation (r = 0.60) confirms that financial capacity is foundational to investment behaviour.

Finding 4: Post-RERA Trust Environment

Builder Reputation and Trust registers a mean of 4.18, confirming a post-RERA transformation in investor attitudes. Investors consistently demonstrate willingness to pay a premium of 7–12% for properties by RERA-compliant, established developers with strong delivery track records, creating a significant trust deficit for emerging or non-compliant developers.

Finding 5: Real Estate Perceived as a Safe Long-Term Asset

Risk Perception registers the lowest mean score (3.70) and a significant negative relationship with investment decisions (r = −0.48, β = −0.19). Approximately 75–80% of respondents view real estate as 'very safe' or 'moderately safe,' positioning it as a preferred alternative to volatile assets such as equities particularly for wealth preservation alongside growth.

Finding 6: Digitally-Enabled Investor Research

Online property portals are consulted by 68% of respondents the dominant information channel. Self-directed research (55%) and broker consultation (54%) follow closely. Social media platforms (38%) represent an emerging channel, particularly among younger investors. This digital empowerment has materially reduced information asymmetries and improved market transparency.

V. RECOMMENDATIONS

For Individual Investors

Investors should adopt a structured due diligence framework assessing: RERA registration status; developer track record on timely delivery and quality; planned infrastructure in the target micro-market; property price benchmarked against comparable transactions; and legal title clearance. Diversifying across two or more micro-markets combining an established IT corridor with an emerging North Bengaluru position can optimise risk-adjusted returns over a 5–10 year horizon. First-time investors should engage a qualified real estate lawyer and SEBI-registered investment advisor given the complexity of stamp duty, registration, home loan structuring, and tax implications.

For Real Estate Developers

Developers must internalise location primacy and concentrate projects in corridors with genuine employment proximity or clear near-term infrastructure improvements. Full RERA compliance, quarterly project progress reports, and on-time delivery are essential prerequisites for reputation building in an increasingly scrutinised market. Investment in digital

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

marketing property portals, YouTube walkthroughs, targeted social campaigns is critical to reaching the growing self-directed investor segment. Flexible payment structures (milestone-linked plans, EMI holiday periods) can expand the addressable investor base, particularly among first-time buyers.

For Financial Institutions

Banks and housing finance companies should design differentiated products by investor segment: for first-time buyers in the ₹5–10 Lakh bracket, enhanced eligibility criteria and step-up EMI structures; for experienced investors, competitive rates and expedited processing. Dedicated real estate investment advisory cells would position institutions as comprehensive investment partners improving customer relationships while reducing default risk through better-informed decision-making.

For Policymakers

The Government of Karnataka should accelerate the delivery of planned infrastructure Metro Phase 3, the Peripheral Ring Road, and Bengaluru Satellite Town Ring Road which have direct, demonstrable effects on micro-market attractiveness. RERA enforcement should be strengthened through rigorous compliance monitoring, faster dispute resolution, and publicised action against non-compliant developers. Addressing the affordable housing gap through relaxed FSI norms in well-connected peripheral zones and streamlined approval processes is essential to ensuring market access for the broader workforce.

VI. LIMITATIONS

This study acknowledges the following limitations: (1) the sample size of 50 respondents limits statistical power and generalisability; (2) convenience sampling may introduce selection bias, underrepresenting lower-income and non-digital investor segments; (3) the cross-sectional design cannot capture how behaviour evolves across market cycles; and (4) reliance on self-reported Likert data is subject to social desirability and recall biases. Future research should target samples of 200 or more respondents using stratified random sampling, incorporate transaction-level registry data, and adopt longitudinal designs.

VII. CONCLUSION

This study has provided a comprehensive, empirically grounded examination of the factors influencing real estate investment decisions of individual investors in Bengaluru. Through quantitative analysis of primary data from 50 respondents encompassing descriptive statistics, Pearson correlation, and multiple linear regression the study generates clear, actionable insights into investor behaviour in one of India's most dynamic real estate markets.

The evidence is unambiguous: Location and Connectivity is the dominant determinant of real estate investment decisions in Bengaluru, followed by Infrastructure Development and Property Price and Affordability. These three factors collectively explain the majority of variance in investor decision-making and must anchor any analytical framework for the Bengaluru real estate market. The post-RERA environment has permanently elevated the importance of builder reputation and transparency, reshaping the competitive landscape for developers.

Emerging micro-markets such as North Bengaluru offering high appreciation potential (13.8% CAGR over five years) at lower entry prices, driven by transformative airport expansion and planned infrastructure — represent both a significant investment opportunity and a validation of the forward-looking, infrastructure-driven investment logic identified by this study.Bengaluru's real estate market remains fundamentally sound, underpinned by structural demand from a growing IT workforce, sustained infrastructure investment, and an improving regulatory environment. For individual investors who adopt evidence-based decision frameworks prioritising genuine locational advantages, verified builder credibility, and long-term infrastructure catalysts real estate in Bengaluru continues to represent one of the most compelling wealth-building opportunities in India.

REFERENCES

1. Anarock Property Consultants. (2024). Bengaluru Residential Market Update Q4 2024. Mumbai: Anarock Group.
2. Bandyopadhyay, A., & Datta, D. (2021). Impact of RERA on real estate investment in India. Indian Journal of Finance, 15(3), 24–41.

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

3. Bengaluru Metro Rail Corporation Ltd. (BMRCL). (2024). Annual Report 2023–2024. Bengaluru: BMRCL.
4. Cohen, J., Cohen, P., West, S. G., & Aiken, L. S. (2003). Applied Multiple Regression/Correlation Analysis for the Behavioral Sciences (3rd ed.). Lawrence Erlbaum Associates.
5. DiPasquale, D., & Wheaton, W. C. (1994). Housing market dynamics and the future of housing prices. Journal of Urban Economics, 35(1), 1–27.
6. Genesove, D., & Mayer, C. (2001). Loss aversion and seller behaviour: Evidence from the housing market. Quarterly Journal of Economics, 116(4), 1233–1260.
7. JLL India. (2024). Bengaluru Office Market Overview — Annual 2024. Mumbai: Jones Lang LaSalle.
8. Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. Econometrica, 47(2), 263–292.
9. Ministry of Housing and Urban Affairs. (2023). Annual Report 2022–2023. New Delhi: Government of India.
10. NASSCOM. (2024). Indian Tech Industry Annual Report 2023–2024. New Delhi: NASSCOM.
11. National Housing Bank (NHB). (2023). Report on Trend and Progress of Housing in India 2022–23. New Delhi: NHB.
12. Nunnally, J. C. (1978). Psychometric Theory (2nd ed.). New York: McGraw-Hill.
13. Reserve Bank of India. (2024). Sectoral Deployment of Bank Credit. Mumbai: RBI Statistical Publications.
14. Shiller, R. J. (2015). Irrational Exuberance (3rd ed.). Princeton University Press.
15. Tiwari, P., & Rao, J. (2016). Housing Market Dynamics in India. Oxford University Press India.
16. Venkatesh, R., & Rajan, S. (2019). Infrastructure and property prices in Bengaluru: A hedonic pricing analysis. Economic and Political Weekly, 54(12), 44–53.

INTERNATIONAL STANDARD SERIAL NUMBER INDIA

INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH

IN SCIENCE, ENGINEERING AND TECHNOLOGY

| Mobile No: +91-6381907438 | Whatsapp: +91-6381907438 | ijmrset@gmail.com |

www.ijmrset.com