PROJECT ENVIRONMENTAL FACTORS, AND PERFORMANCE OF REAL ESTATE DEVELOPMENT HOUSING PROJECTS IN KENYA: A CASE OF REAL ESTATE CONSTRUCTION HOUSING PROJECTS IN BUSIA COUNTY, KENYA

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ABSTRACT: *This study aimed at providing practical strategies for reducing the influence of environmental factors on real estate housing building projects in Busia County. Data for this study was collected via focus groups, interview schedules, and questionnaires. Descriptive and inferential statistics were used to analyze the data. Respondents indicated agreement on a Likert scale that project environmental elements affect the success of real estate building housing projects in Busia County. The data analysis of the research indicated that project environmental variables somewhat impacted the performance of these projects. The research participants' views indicated a strong positive correlation (r=0.779) between Project Environmental Factors and Performance of real estate building housing projects in Busia County, with a statistically significant p-value of 0.000 < α=0.05. This indicates a strong correlation between the two variables, which back the alternative hypothesis and dismisses the null hypothesis.*

KEYWORDS: Project environment, Performance of real estate; Development housing projects.

INTRODUCTION

The real estate sector has significantly improved the growth and success of many economies around the world and is often seen as a key instrument of an economy's financial comfort. Any physical objects or enhancements attached to land, together with any enhancements made to the land itself, are classified as real estate. Real estate property development covers various activities including procuring and selling new land, reconditioning existing structures, and selling advanced land to other parties for profit (Ajello, Andrea, Thomas, David & Taiske, 2015). As to the International Monetary Fund (IMF) (2016), funding for real estate is crucial for enhancing job opportunities, guarding families, enhancing revenue distribution, and decreasing scarceness. The real estate building sector is crucial for any economy and for this reason, it is essential to identify and address probable risks early in the project to avoid monetary losses and ensure the project's fruitful conclusion within budget, on program, and meeting investors' expectations (Nguyen, Ogulana & Lan, 2017).

Background of the Study

Real estate's universal growth has been essential in determining national markets throughout the years. Intentional real estate has a long history dating back to the early days of the United States of America and Canada (Svensson, 2019). More than half of the international population inhabits urban areas, with over one-third existing in informal settlements. Within the following decade, this figure is projected to increase by more than one billion. Failure to provide 35 million housing units annually for the increasing population would result in a fast expansion of shantytowns, as projected by United Nations (UN)-Habitat (2019).

The real estate business has seen rapid expansion and robust development due to the country's fast-growing economy in recent years. However, the Project Environmental Factors affecting the progress of housing projects in real estate have reached new levels. Real estate project selections should include both environmental problems and financial possibilities, since larger profits are often accompanied with increased risks. Most scholars and economists, both countrywide and internationally, are now worried about this issue (Bonnet, Bono, Chapelle & Wasmer, 2019). The collapse of real estate markets in many European nations during 2007–2008 highlights the importance of the real estate industry for the global economy in the aftermath of the financial crisis. The financial crisis caused by the subprime mortgage market failures in the USA in early 2007 led to lessened real estate values in several property sectors in the nation (Bonnet et al., 2019). The troubles of the Eurozone and worries about national debt significantly influenced the European stock markets in 2012, as shown during Greece's withdrawal. The tragedy has led to a reversion to fundamental principles in European real estate commercial lending affecting investment banks and commercial banks alike. The financing paradigm clearly demonstrates a strong focus on Project Environmental Factors in real estate development. Creditors are now well-informed on how to provide debt management in these restricted capital markets. Real estate development enterprises must demonstrate substantial Project Environmental Factors that affect home development projects to maintain access to equity or funding sources. In the long run, the global financial crisis may lead real estate development enterprises to adopt a Project Environmental Factors management style, as suggested by Stein (2018).

According to UN-Habitat (2019), it is estimated that 60% of the global population will live in urban areas by 2050, when the world's population is projected to reach twelve billion. There is evidence of rapid urban expansion throughout the continent based on development activities. In 1950, there were just two African capital cities with a population of one million or more, compared to the current 48 capital cities in Africa. Kampala in Uganda is one of Africa's fastest-developing capitals, propelling growth over the last 20 years, indicating rapid development in major African cities. In Kampala, slum areas now cover 21% of the city's land, with a significant shortage of organization (Vermeiren, 2019). With the increase in development projects in the capital due to this growth, more opportunities for the real estate development business have been created. The building sector has thrived, becoming the second largest industry after agriculture (Otim, Alinaitwe, Tindiwensi & Kerali, 2018).

Kenya's real estate sector has effectively created employment opportunities, provided houses for people, distributed money more equitably, and reduced poverty. Yet, it has not succeeded in carrying out this essential role due to many distinctive elements that affect economic endeavors in the sector. In the early 1990s, a 40% reduction in the development of real family credit due to interest rate hikes resulted in higher housing costs in Kenya because of inflation and the household debt-to-GDP ratio, affecting the sector's performance (International Monetary Fund,2016). Kenya has seen a rise in real estate investment lately due to decreased mortgage lending rates (International Monetary Fund, 2016). Kenyans' appeal to own homes, rural-to-urban movement, and increasing movement payments are driving factors behind the considerable decrease in actual housing costs (Nzalu, 2017). Kenyan real estate encompasses many types of properties such as godowns, warehouses, retail shops, shopping malls, office space, single- and multi-family residences, and commercial and agricultural land (Lynn, 2018). Real estate is believed to have lower liquidity compared to other investment options. Real estate may be risky if an investor does not adequately understand and control the factors driving the investment's growth. This is due to its high capital requirements and strong dependence on cash flow. The researcher performed a study on the performance of real estate development housing projects in Kenya, focusing on projects in Busia County and their environmental conditions.

Research Objective

The objective of this research is to assess the extent to which project environmental factors influence performance of housing projects in real estate development in Busia County, Kenya.

Research Hypothesis H0: There is no significant relationship between project environment factors and performance housing projects in real estate developments in Busia County, Kenya.

LITERATURE/THEORETICAL UNDERPINNING

Real estate development housing projects have considerably profited from project environmental performance, showcasing project managers' efforts to mitigate potential sector losses that might affect organizational productivity (Project Management Institute, 2018). Project environment refers to the external factors surrounding real estate development housing projects that might influence their performance. The circumstances can be grouped

as social, cultural, geographic, political, legal, economic, and financial. Dey and Ogunlana (2019) conducted a study on the influence of project environment and management practices on the successful completion of a development project in Ghana. The study found that meeting deadlines, staying within budget, and achieving required performance standards as the three crucial success parameters for any project. The study further found that various environmental factors such as the intricate nature of planning, design, and construction, involvement of multiple interest groups, resource availability, environmental concerns, political and economic conditions, and legal regulations all contribute to the uncertainty in large development projects.

Ofori (2017) further conducted another study to identify and assess the key success factors for projects in Ghana and the quality of project management techniques in that context. The study used an exploratory approach and a survey technique to collect data on the project management practices and project environment of companies in Ghana. The sample consisted of 200 managers from different economic sectors who were selected intentionally. The research revealed that crucial environmental factors contributing to a project's success include strong support from top management, effective communication, clear project goals and objectives, involvement of stakeholders, and a customer-centric strategy. These study findings are nearly related with the findings of Nongiba and frank (2020) in their study 'Impact of Total Quality Management Practices (TQMPs) and project ecological factors on building Projects Quality Performance in third world Countries'. According to the study, top management commitment/leadership, customer satisfaction, affective communication, management of human resource and training are the main building project management practices and environmental factors that influence building project management performance in the real estate development industry.

Jha and Kumar (2019) and Gherbal, Shibani, Saidani, and Sagoo (2017) in their studies argued that management should create policies that promote client/customer satisfaction and effectively communicate quality policies and plans to both internal and external employees. This is essential to increase awareness, generate interest, and drive action in the project environment, ultimately enhancing project performance. According to the studies, management should produce a concise mission, vision, and strategy statement that addresses business objectives. To improve project performance, management must provide workers with necessary tools and problem-oriented training (Juran & Gryna, 2016). This statement was supported by Imbeah (2018) who argued that management is responsible for driving quality management programs by continuously evaluating and improving quality systems.

In a study done by Waweru and Ngugi (2019) on influence of project environment on performance of micro and small companies (MSE) in Kenya, the study found that 80% to 90% of micro and small companies fail during the first five to ten years because of inadequate financial management methods. The findings were further confirmed by The Kenya Economic Survey (2013) study which linked the poor performance of Kenyan Micro and Small Enterprises (MSEs) to social disparities and illegal behavior by top management who were found to be involved in corrupt dealings that led to the financial decline of these businesses. This argument was the same as Varis and Littunen's (2017) finding which discovered that there is a need to have a creative project environment management habitual approach that may help reduce theft practices on the side of the management so as to improve MSE performance in most countries.

Youker (2017) defined the building environment as the combination of all exterior variables, conditions, and impacts. This definition was supported by Akinsola, Potts and Harris (2018) who described this environment as external elements that impact the construction process and argued that the project environment encompasses all factors not immediately linked to the project, including its technology, product features, customers, competitors, political, economic, and environmental situations in which the project operates. Bennett (2017) in his study on the relationship between project environmental factors and its performance found that environmental issues hinder the progress of construction projects basing his argument to a thorough examination of project management theory. According to Bennett (2017), environmental factors should be given more consideration in the management of construction projects, especially when they are highly unpredictable and have significant potential influence.

In his research done in Italy on analysis of how economic and financial activities affect the success of real estate development projects, Youker (2017) found that the economic and financial activities of the local community greatly impact the success of real estate development initiatives. This was evidently supported by Walker and Hughes (2019) in the study done in Italy on influence of environmental factors on project performance which found that factors such as economic activity, residents' financial capacity, and physical infrastructure influence the success of real estate development initiatives. The study further discovered that the financial and economic factors centered on the general level of economic activity and the resources necessary to carry out the work, including varying levels of economic competition that impacted the selection of all project participants in building projects. The research aimed at examining the impact of financial and economic activities on the outcomes of Italian real estate development projects. A survey was the methodological approach used in the inquiry. 250 real estate businesses were the intended audience. Questionnaires were sent to a sample of twenty-five real estate businesses. The acquired data was coded and analyzed descriptively and inferentially using SPSS.

Youker (2017) analyzed the results of several World Bank projects and discovered that a project manager's capacity to influence certain elements of the overall environment often influences performance. The evaluation emphasized that project managers need a thorough understanding of the many parts and components of their projects to effectively address and minimize the influence of variables on project performance. On the same note, Walker and Hughes (2019) highlighted many factors, such as political, legal, institutional, cultural, sociological, technical, financial, and physical resources that influenced the success of real estate development housing projects. In this case, the study argued that some environmental features provide more challenges to organizational structure, management, and projects, making them more crucial for project environment management.

The economic and financial aspect of a development project involved total economic activity level and the resources needed to execute the work, including varying degrees of economic competitiveness that affected the selection of each party participating in the development projects (Obalola, 2018). This statement was further augmented by Odeh and Battaineh (2016) that the financial viability of a project in a dynamic economic environment is a challenge for project managers and further supported by Oladapo and Olotuah (2017), who indicated that due to the construction industry's susceptibility to periodic economic fluctuations, it is crucial to precisely predict both local and worldwide economic patterns by the project manager.

Mansfield, Ugwu and Doran (2018) conducted research in Nigeria to analyze how the political context affects the success of real estate development initiatives. The research found that the government plays a significant role in the construction business by regulating the national economy, acting as customers, and overseeing the construction environment via regulations that control ethics and construction practices. The study indicated that the government may significantly change the demand for construction services by using monetary and budgetary measures. The study further found that governments have a regulatory role in the construction sector by ensuring compliance with laws and regulations, which affects building approval and development operations. According to the study, governments have the power to initiate or stop initiatives based on social, political, or environmental considerations. The research aimed at examining the functioning of Nigerian real estate development projects in relation to the political context. A survey was the methodological approach used in the inquiry. The target populace consisted of 180 real estate businesses. Questionnaires were sent to a subset of eighteen real estate firms. The acquired data was coded and analyzed descriptively and inferentially using SPSS.

These research results were reinforced by Thomas and Martin's (2018) study which emphasized that projects are influenced by several factors such as industrial, political, and regulatory control. The researchers recommended that development project managers should consider political variables including unstable governments, unpredictable economic developments, and unanticipated swings in consumer demand that might create an uncertain project environment. They further argued that the construction industry is governed by regulations concerning licensing, insurance, taxes, codes of conduct, planning and environmental constraints, and safety which is part of the project environment. According to the study, the majority of these laws, rules, and regulations which are well defined in most construction industries in most cases predict how they impact on construction projects.

Thomas and Martin (2018) observed that frequent changes in rules related to industry, safety, taxation, and the environment might lead to challenges when laws change throughout a project. This corroborates the results of a study conducted by Oladapo and Olatuah (2017), demonstrating that laws directly influence customers' behavior via restrictions related to construction standards, safety, planning legislation, and contractual agreements inside projects. According to Oladapo and Olatuah (2017), the physical environment where building projects are situated may significantly impact their growth due to the ongoing influence of physical variables such as the project's location, ground conditions, and weather of which due to their unpredictable nature, management efforts have been unsuccessful in preventing their occurrence. Thomas and Martin (2018) further argued that project managers should carefully consider the physical implications while planning management processes to avoid overusing resources.

Social and cultural factors in a region significantly influence the development of real estate and housing developments in any economy. The social-cultural component of a society encompasses its norms, ways of life, and values (William, 2017). Engobo (2019) identifies socio-cultural components as language, social duties, attitudes, increasing educational levels, norms and values, and population demographics. The 2019 study by Engobo examined how the social and cultural setting influenced the financial success of housing developments developed by real estate companies in Ghana. The study used an exploratory strategy and a survey technique to examine how social and cultural surroundings impact the financial success of real estate building housing projects in Ghana. A sample of 120 managers from

different real estate projects was selected using intentional sampling. The research revealed that the social and cultural background plays a crucial role in determining the financial performance of real estate and housing projects. The acquired data was coded and analyzed descriptively and inferentially using SPSS.

METHODOLOGY

The survey included 1664 tenants now residing in housing units developed by 166 real estate entrepreneurs in Busia County, together with two managers, one from the Ministry of Housing (MoH) and the other one from the Kenya National Bureau of Statistics (KNBS). There were a total of 1832 participants in the target population. The sample size for this study was determined using the Yamane (1967) formula: $= \frac{N}{1+N(e)2}$. A total of 328 individuals were recruited, including 298 renters and 30 real estate entrepreneurs, from a target population of 1664 tenants and 166 real estate entrepreneurs, respectively. The error term is represented by e, the sample size by n, and the target population by N. The study included two key personnel officials, one from MoH Busia County and one from KNBS, who have previous experience in real estate development. Yamane (1967) states that selecting the sample size is influenced by variables such as time, population size, cost, and non-response, and there is no definitive correct solution. The sample size of renters and real estate entrepreneurs was suitably approximated at a 95% confidence level (p = 0.05). The main method used to collect data was a questionnaire, supported by focus group discussions with tenants, interviews with real estate housing entrepreneurs, and a checklist for reviewing documents held by two key personnel officers one from KNBS and the other one from MoH Busia County, who possessed relevant experience in real estate development. Descriptive and inferential statistics were used to analyze the data. The descriptive statistics included measures of central tendency such as frequency, percentage, mean, and standard deviation. Additionally, composite mean and composite standard deviation were calculated due to the need to analyze both quantitative and qualitative data. Regression analysis and Spearman correlation were used in inferential statistics to evaluate research hypotheses. The study used a descriptive research technique to investigate the correlation between independent and dependent variables.

RESULTS/FINDINGS AND DISCUSSIONS

This part presented the study's results/ findings.

Questionnaire Return Rate

Out of the 328 questionnaires sent to participants in the real estate building housing projects in Busia County, 320 were completed correctly, resulting in a return rate of 97.56%. The findings of the questionnaire return rate are shown in Table 1.

Table 1: Questionnaire Return Rate

Participants	Sampled	Returned	Return Rate%
Real Estate construction housing projects participants (Tenants and real estate entrepreneurs)	328	320	97.56

Source: Field Work (2021)

The researcher's consistent follow-up with each sampled respondent throughout the data collection procedure resulted in a high return rate. The 97.56% high return rate allowed the collection of sufficient data to widely evaluate how environmental factors in projects impacted the performance of housing developments in Busia County, including real estate development. Mugenda and Mugenda (2003) and Kothari (2004) stated that a questionnaire return rate above 50% is considered acceptable in research, providing enough data to represent participants' opinions in the target population.

Demographic Characteristics of the Respondents

Background information of the participants was necessary to understand the characteristics the researcher was studying. The study participants were requested to give information on their age, gender, degree of expertise, and educational background. The participants were asked to provide their demographic data. The results were presented and explained in the following sections.

Distribution of Respondents by Gender

The researcher was looking for information on whether gender matters when making policy decisions and developing housing projects that include real estate development. In order to achieve gender parity in the administration of real estate building housing projects in Busia County and to determine the impact of respondents' gender on sector performance, it was essential to conduct an investigation. As a consequence, the respondents were questioned about their gender, and table 2 shows the findings.

Table 2: Distribution of Respondents by Gender

Gender	Frequency	Percent
Male	188	58.8
Female	132	41.2
Total	**320**	**100**

Source: Field Work (2021)

Table 2 shows that 188 (58.8%) of respondents were male while 132 respondents, accounting for 41.2%, were female. The findings indicated gender parity in real estate development housing projects, since the number of male participants was higher than that of female participants. The study found that most men invest their time, money, and energy in real estate construction projects to generate revenue for self-sustainability and enhance project performance, while their female colleagues allocate their financial resources to other obligations. William's (2017) study confirmed that the social and cultural factors of an area

play a crucial role in influencing the development of real estate and housing developments in any economy. According to William (2017), a society's social-cultural component comprises its practices, values, and way of life.

Distribution of the Respondents by Age

To determine whether the study participants were equally distributed among age groups, they were required to reveal their age. To effectively represent the perspectives of all age groups, age depiction across several age ranges was used. This study aims at identifying the age group that actively engaged in the development of real estate-related housing projects and the reasons for their involvement. Table 3 displays the analysis of the data showing the distribution of respondents by age group in terms of frequency and percentage.

Table 3: Distribution of Respondents by Age Group

Age group	Frequency	Percent	Cumulative %
Below 20 years	2	0.60	0.60
20-30 years	65	20.31	20.91
31-40 years	159	49.69	70.60
41 years and above	94	29.40	100.00
Total	**320**	**100**	

Source: Field Work (2021)

Table 3 indicates that 159 individual participants (49.69%) were aged 31-40, 94 participants (29.4%) were over 41, 65 participants (20.31%) were aged 20-30, and 2 participants (0.60%) were under 20. 253 respondents, constituting 79.06 percent, were over 30 years old, whilst 67 respondents, making up 20.94 percent, were under 30 years old, as per the age distribution findings. The research found that the majority of participants in real estate construction housing projects in Busia County were mature individuals with relevant expertise in project environmental elements and real estate construction performance. This outcome validates Engobo's (2019) study, which suggested that an individual's age, maturity, and life experience impact their ability to save money and invest in development projects.

Distribution of Respondents by Level of Education

The participants were also asked to specify their educational attainment. The respondent's degree of education significantly contributed to their awareness of how project environmental elements impact the performance of real estate building housing projects in Busia County, Kenya. Table 4 displays the distribution of respondents based on their degree of education.

Table 4: Distribution of Respondents by Level of Education

Level of Education	Frequency	Percent
O-level	4	1.25
Bachelor degree	198	61.88
Post graduate	96	30.00
Others	22	6.88
Total	**320**	**100**

Source: Field Work (2021)

Based on the study's findings, 198 participants (61.88%) had a bachelor's degree, 96 participants (30%) had a postgraduate degree, 22 participants (6.88%) had a different level of education, and 4 participants (1.25%) had an O-level education. The study found that the vast majority of participants, 294 in total (91.88%), had bachelor's and postgraduate degrees. This suggests that they had the necessary knowledge to provide reliable data on project environmental factors and the performance of real estate construction housing projects in Busia County. This will positively impact the performance of real estate building housing projects in Busia County, Kenya.

Distribution of the Respondents by Number of Years in the Profession

Another inquiry pertained to the duration of experience that study participants had in the real estate development and housing sector. The study aimed at assessing the participants' knowledge in project environmental aspects affecting real estate construction performance in Busia County by examining their years of experience in the sector. Table 5 displays the analysis of the data showing the distribution of replies based on years in the profession, including frequency and percentage.

Table 5: Distribution of Respondents by Number of Years in the Profession

Length of time in profession	Frequency	Cumulative frequency	Percentage	Cumulative Percent
Less than up to 5 years	48	48	15	15
5-10 years	220	268	68.8	83.8
11-15 years	45	313	14.1	97.9
Over 16 years	7	320	2.2	100
Total	**320**		**100**	

Source: Field Work (2021)

Table 5 indicates that 220 respondents (68.8%) had worked in the sector for five to ten years, 48 (15%) for less than five years, 45 (14.1%) for eleven to fifteen years, and 7 (2.2%) for sixteen years or more. 272 (85%) of the participants of the total, had a minimum of five years of experience in their disciplines. Consequently, they had the necessary knowledge about project environmental elements and strategic decision-making in real estate development housing projects in Busia County. The majority of respondents in the study had extensive experience in decision-making processes, which had substantial implications for the research findings.

Correlation Analysis of Project Environment Factors and Performance of Real Estate Construction Housing Projects

The study aimed at exploring the connection between project environment characteristics and the performance of house construction projects in the real estate sector. The link between project environment parameters and the success of real estate development housing projects was examined using Pearson correlation coefficient at a 95% confidence level. The Pearson correlation coefficient was calculated to determine the relationship between project environment factors and performance of real estate development housing projects. The respondent's individual ratings on each item were aggregated to get the total scores of the

scales with a 95% confidence level. The research results show a strong correlation (r=0.779) between project environment factors and performance of real estate construction housing projects, with statistical significance at P<0.05 (p=0.000). The null hypothesis (H0) stating that there is no significant association between project environment characteristics and performance of real estate building housing projects in Busia County was rejected in favor of the alternative hypothesis.

A linear regression study was undertaken to determine the equation that relates Project Environment Factors to the Performance of Real Estate Housing Construction Projects. The sum of the scores for each project environment item was used to get the overall scores for the elements affecting the performance of housing projects in the real estate construction sector. Similarly, the performance ratings of the real estate construction housing projects were also determined. The aim of the model summary was to assess whether the project environment components had a moderating or insignificant impact on the performance of housing projects related to real estate development. Table 6 presented the whole results of the regression model.

Table 6: Model Summary of Project Environment Factors on Performance of Real Estate Construction Housing Projects

Model	R	R square	Adjusted R square	Std. error of the estimate
1	0.779a	0.607	0.606	0.449

a.   predictors:(constant), project environment

Source: Field Work (2021)

The model summary from Table 6 shows a positive correlation (R=0.779) between the performance of real estate development housing projects and the predictions made by the regression model based on project environment characteristics. The project environment explains 60.7% of the variation in the performance of real estate constructing housing projects.

The study attempted to assess whether the regression model was the most suitable method for projecting the performance of housing projects in the real estate construction business, considering project environment factors. Table 7 presented the output statistics results from the regression ANOVA analysis.

Table 7: An ANOVA of Moderating Influence of Project Environment Factors on the Performance of Real Estate Construction Housing Projects

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	111.877	5	23.375	159.5	0.000b
	Residual	46.030	314	0.147		

Total	162.906	319	

Source: Field Work (2021)

a. Dependent Variable: Performance of real estate construction housing projects.

The ANOVA results showed that the regression model produces a significantly better predictor of the performance of real estate construction housing projects because the F-statistics $(1,318) = 490.878$ is significant because the P-value $=0.000<0.05$ implies that the predictor coefficient is at least not equal to zero. The study aimed to investigate the influence of project environment variables on the performance of home construction projects. Table 8 presented the results of the regression coefficients.

Table 8: Coefficients for Regression of Project Environment Factors and Performance of Real Estate Construction Housing Projects

Coefficients Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.840	0.142		5.899	0.000
Project environment factors	0.782	0.035	0.779	22.16	0.001

Source: Field Work (2021)
Dependent Variable: Performance of real estate housing construction projects

The simple linear regression coefficients from Table 8 indicated that the project environment significantly influenced the performance of house construction projects. Both the project environment components and the constant term's coefficient demonstrated statistical significance with p-values less than 0.05. Real estate constructing housing projects' performance changed by 0.782 units for each unit of project environment variables, as shown by the regression model y= 0.840 + 0.782X6. All other factors stayed consistent. A positive and linear association was found between the project environment and the performance of real estate development housing projects.

This research aimed to assess the impact of project environmental components on the performance of real estate construction projects in Busia County. The data analysis of the research showed that Project Environmental Factors somewhat influenced the performance of housing projects in Busia County. Respondents who used a Likert scale agreed that Project Environmental Factors affect housing projects' effectiveness in Busia County. The research participants' views indicated a strong positive correlation (r=0.779) between Project Environmental Factors and Performance of real estate building housing projects in Busia County, with a statistically significant p-value of $0.000 < \alpha=0.05$. This indicates a strong correlation between the two variables, which backs the alternative hypothesis and dismisses the null hypothesis. The results of the Pearson correlation and simple linear regression coefficients indicated that project environmental variables significantly influenced the performance of real estate building housing projects in Busia County.

IMPLICATION TO RESEARCH AND PRACTICE

Considering the research findings and conclusions, the following implications were made:

1. Real estate development sector in Busia County was a highly male dominated business because the study findings showed gender parity. There is a need by the County government therefore to empower women to enable them too to participate actively in real estate development business.
2. Since performance of real estate development housing projects were found to be majorly influenced by the project environmental factors there was a need for the County government of Busia to create a conducive environment to enable effective performance of real estate development housing projects.

CONCLUSIONS

Based on the findings of the study, the following conclusions were made:

1. Real estate development in Busia County was highly dominated by men.
2. Most people actively involved in real estate development were mature adults of above 30 years of age.

FUTURE RESEARCH

For further research, the study suggests the following:

1. This study was delimited to influence of project environmental factors on performance of real estate development housing projects in Busia County. A study can be replicated in other counties in Kenya to explain the possibilities of other factors influencing the performance of real estate development housing projects.

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