



CASE STUDY: Development, construction, and sale of real estate

Market analysis for a real estate feasibility study

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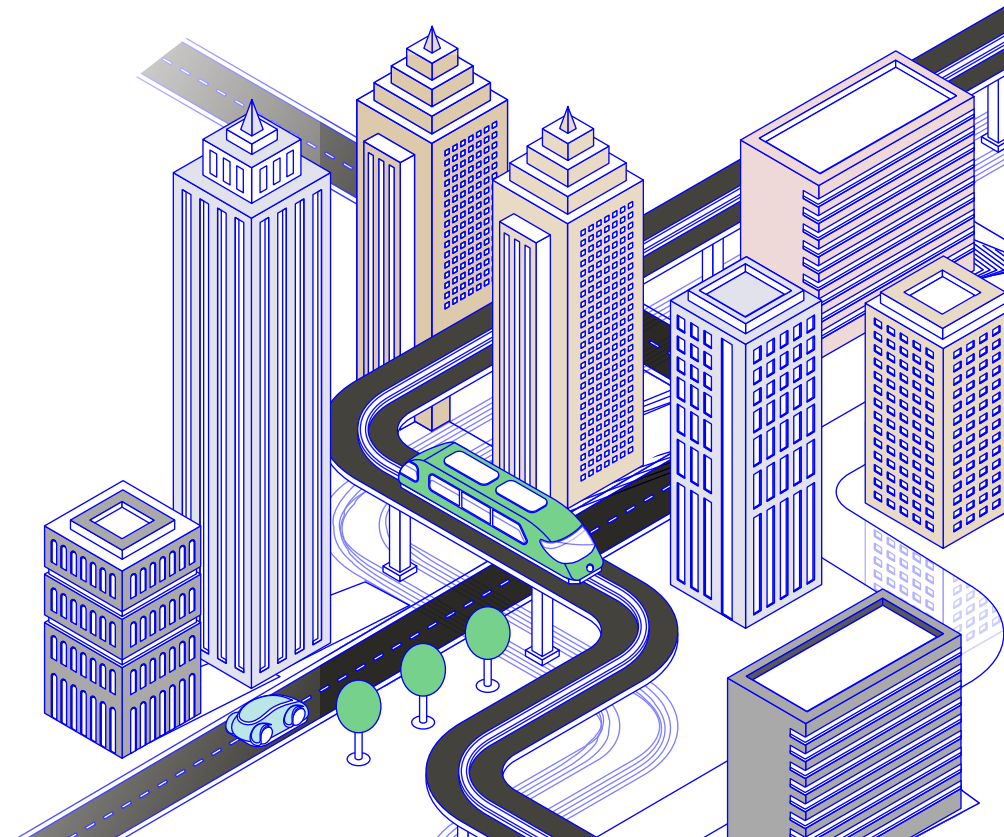
Market analysis for a real estate feasibility study

Introduction

A developer wants to know the current situation in the area of the city in which their land is located, in order to decide whether it is advantageous to develop a real estate project there.

Context

The land is located in an old, central neighborhood that in the last five years has undergone real estate and urban renovation, which has led to an increase in the value of the available land. The client, when seeing the current trends in the area, wants to know in detail what the specific characteristics of the area are and the current and future competing developments, in order to define the ideal type of real estate project and, finally, decide objectively whether to carry out a project or opt for an alternative.

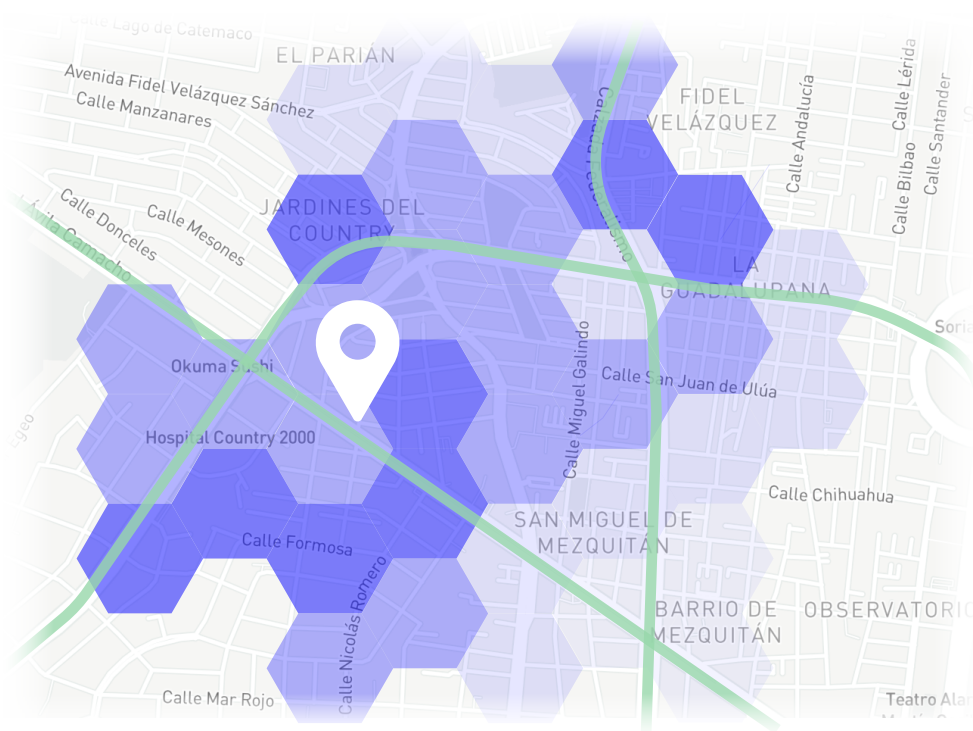


Solution

The tools that City Intelligence provides allowed the client to identify and analyze various relevant aspects of the area where the land is located, as well as of comparable areas such as: the profile and characteristics of the population living there; prices per square meter and number of properties in the area; the average number of bedrooms and rooms in homes in the area; land use in the area; the main roads and the volume of traffic; the availability and ease of parking; the crime incidence. With this and more data, analyses were generated that allowed us to know in detail what type of real estate product the land is suitable for and the general situation of the surroundings.

Findings and results

- The price per square meter is 9% lower than areas with similar characteristics.
- Crime incidence and traffic volume is low.
- The use and occupation of land coefficients allow for a broader construction compared to other similar areas.
- The characteristics of the population in the area were appropriate for the type of development they wanted to carry out.
- The average age of the population is 43, 51% are women and 49% men, with the predominant socioeconomic level being A/B and C+.
- The client was able to identify the characteristics of competing designs and propose a development with competitive and distinguishing advantages.





 Chosen location

 Tracted road sections

 SE A

 SE B

 SE C+

 SE C-

Conclusions and how City Intelligence can help the retail industry

Based on the results found, the client decided that the land was very attractive for the development of a real estate project since the combination of the characteristics of the population living in the area and the use and occupation of land allowed for the creation of a profitable and attractive product. In addition, the area is in a favorable position, since the average price per square meter is undervalued in comparison to equivalent residential areas, however, the value has been rising in recent years.

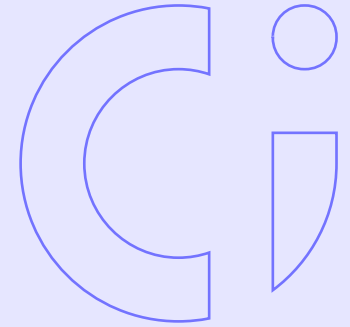
Through the analysis of different factors, the platform was able to provide a supported, critical and real frame of reference so that the client, partners and /or investors of the project could make decisions in a more secure manner, eliminating as much as possible the conditions and elements of uncertainty surrounding the project.

If your enterprise focuses on the development, construction and commercialization of real estate, using City Intelligence you can:

- Determine the most suitable location and site for your real estate project.
- Get to know the competitors in the area in order to offer a product with a greater competitive advantage and distinguishing features.
- Analyze the area of interest, in order to determine if it is the most suitable for your value proposition. Identify various areas in the city with a similar market and behavior.
- Make use of large databases to know in detail the characteristics of your market.
- Know the coefficients of land use and occupation to determine the viability of your real estate project.

We complement the services of City Intelligence with other marketing research tools to offer you more detailed studies that are tailored to your needs.

Visit www.lac.mx to learn more about our professional services, with more than 15 years of experience in market research..



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