



Feasibility Analysis

Often, in conjunction with marketability studies, the feasibility study analyzes the potential pricing of the project or product, whether for rental or sale, projects rates of absorption and likely expenses, and provides estimates of value. These estimates are compared to projected costs in order to estimate profitability. If value exceeds cost, the project is likely feasible.

Brick and mortar do not create value. Sales and leasing create value. The physical structure provides only the raw materials for the process. For example, a shopping center is not a real estate venture but a merchandising venture. Unless the ultimate product (goods and services) can be marketed successfully, the development will fail.

Office developments must project the image desired by the prospective tenant. Certain classes of tenants may require a prestigious location, commensurate with their client's status, while others may seek the most economical quarters. Some may require a pleasant atmosphere to attract employees, while others may require clean power and high speed internet access, as well as convenience to a large base of potential employees.

Residential developments vary widely, each targeting a specific market segment. Affordability may be the primary criteria for one market segment, while another is in search of a lifestyle.

Each project must be uniquely designed to fill a specific market need. URS can help ensure the project fits the need.