



Marketability Study

As defined by *The Dictionary of Real Estate Appraisal*, marketability is a process that investigates how a particular property will be absorbed, sold or leased under current or anticipated market conditions. It includes a market study or analysis of the general class of property being studied. It is also a microeconomic study that examines the marketability of a given property or class of properties, focusing on the market segments in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix.

A client with a planned dockominium marina facing the realities of the current market recently asked URS to help maximize rental value. We completed the following tasks:

- Conducted site specific market and demographic research to determine the current market conditions.
- Overview of impact of current economic conditions on the boating industry and the boat storage market.
- Identified the target boating market for the subject, taking into consideration the location and attributes of the property. Examined the submarket by age and income and projected growth.
- Defined the market area by drive times and linkages.
- Detailed review of existing and planned competitive marinas in the subject's market area.
- Analyzed the marina-related services and amenities that could be provided in order to have a competitive advantage.
- Forecast probable rents based on the assumption the project will be completed approximately two years from date of this study.
- Forecast absorption pace and time to stabilized occupancy.

This was a complex assignment that required the compilation and examination of primary and secondary data to determine supply and demand. The data revealed the market segments in highest demand, what segments were growing, and what segments were declining. The final report explained to the client what they could expect from their proposed project, how it would fit into the market, and how to best position the marina to maximize capture of the target market.