



# Pensacola Research Initiatives

Peter Bazeli  
Weitzman Associates, LLC

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# Introduction

- **Consulting in Pensacola since 2012 on residential, retail and office properties.**
- **Current engagement includes a detailed marketability study of the residential and retail potential of the ECUA property and Community Maritime Park Outparcels.**

# Market Analysis vs. Marketability Study

**Market Analysis** is an evaluation of those factors that influence the supply and demand for a type of asset in a particular market area.

A **Marketability Study** is site specific, and incorporates market analysis into a study of the development or investment potential of that site.

# MARKETABILITY STUDY

Identifies potential market and investment risk,  
and **how to mitigate** this risk

Is the **cornerstone** of investment due diligence

One cannot perform a **financial feasibility**  
analysis without first performing a  
**marketability study**

# **MARKETABILITY STUDIES**

**PROVIDE IMPORTANT PERSPECTIVE TO  
STAKEHOLDERS**

**DETERMINE WHAT SHOULD BE BUILT, OR  
REFINE AND VET A CONCEPT**

**PROVIDE UNDERWRITING PARAMETERS TO  
DETERMINE FINANCIAL FEASIBILITY**

**UNDERSTAND RISK AND HOW TO MITIGATE IT**

# **MARKETABILITY STUDIES**

**PROVIDE USEFUL AND PRACTIAL RECOMMENDATIONS**

**MAY DIFFER FROM THE VISION**

**WHO ARE THE TARGETED USERS, AND HOW DO WE REACH THEM?**

**WHAT WILL THE MARKET PAY FOR WHAT WE ARE BUILDING?**

**WHAT SUPPORTIVE ROLE CAN GOVERNMENT AND OTHER STAKEHOLDERS PLAY IN THE OUTCOME?**

# WEST MAIN STREET MASTER PLAN

## HOW DOES A MARKETABILITY STUDY HELP?

- Informs the Design Process – **FIRST STEP**
- Provides documented support and rationale for **what should be built and why**
- Serves as a **reference manual** for market direction and risk
- Has a long **“shelf-life”**
- Builds **credibility** and **consensus** among stakeholders
- Presents underwriting parameters to determine **financial viability**

# **MARKETABILITY STUDIES**

## **EVALUATION OF MARKET SUPPORT IN STEPS**

- 1. Property Characteristics**
- 2. Highest and Best Use**
- 3. Target Market**
- 4. Economic and Demographic Trends**
- 5. Market Trends and Comparable Properties**
- 6. Demand Analysis**
- 7. Conclusions and Development Plan**



# KEY TAKE-AWAYS AND DELIVERABLES

- Full-narrative study
- Critical evaluation of the site for the proposed uses
- Guidance regarding the physical characteristics of what is marketable at the site
- Definition of the target markets – the “who, where and why” of demand

# KEY TAKE-AWAYS AND DELIVERABLES

- **In-depth market data – trends, comparables, case studies, and performance metrics**
- **Demand Analysis**
- **Conclusions and Development Plan  
Recommendations – Product mix, features,  
achievable revenue, absorption, phasing**
- **Recommendations to mitigate risk**

**THANK YOU.**

**Peter Bazeli**

**[pbazeli@weitzmanusa.com](mailto:pbazeli@weitzmanusa.com)**



**WEITZMAN**  
Real Estate Consultants