

“Market Analysis” (MA)

Assignment #2

Due: October 17, 2006

Value: (10% of final grade)

As a property manager, you need to know your market. This assignment is for you to investigate a specific market and provide an **analysis** to an owner of real property. Your assignment will be submitted in typed format to me (property owner) on October 17, 2006. This MA should be no more than five (5) pages or less and include facts, figures and/ or graphs AND **references** to support your investigation.

Assume that I currently own a four-plex in the area and I that I am possibly looking at expanding my portfolio in the area (of your choice). Your written analysis should be factual regarding **current and future** macro and micro **conditions** of a given market.

This is a fun assignment. Let your fingers do the walking on the internet. Please use the website directory on your syllabus from this class to help you get started. Start your research now. Don't wait. You have five (5) weeks to get this done. We will cover aspects of this assignment.

- **Identify a market, investigate and analyze:**

I. Political

- Regional, state, local influences
- State, City and other local (political) influences, trends, cycles
- Political issues (redevelopment plans?)
- City/ County Planning issues (laws restricting growth?)

Demographics

- Employment trends, major employers
- Economy (local and state), economic cycles if applicable
- Transportation, traffic flows, migratory patterns
- Impacts on employment and economy such as military base closings, highway improvements, developments, etc.

(Prevailing) Market Conditions :

- Trend toward residential or mixed residential or commercial
- Economic conditions, inflation, economic growth, other influences

Property Trends and/or cycles:

- How long have properties been on the market?
- Is there an increase or decrease in the percentage of properties sold?

- Are there are great deal of new housing plans “in the works”?
- What is the status of rents: up, down, stagnant? WHY?
- Are there a lot of building permits being taken out for new residential buildings?

II. Give your opinion...

Where is this market now?

Where is this market headed in the future?

As a property owner – what do you recommend I do?

Buy, Sell, Hold?

Why?