WHAT MARKETS ARE BEST FOR RELOCATION/EXPANSION?

EXCITESQL

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Factors we're analyzing:

- **Growth of Available Space** : The amount of new space that markets are adding for companies to expand/enter the market. Broken down by A and O class designation.

- **Price of Rent**: Average price of rent in a market. The lower it is, the more affordable it is for relocating companies.

- **Unemployment Rate:** A low unemployment rate is good because it means people have jobs, which in turn means they have money they are willing to spend. This will help revenue for the business. Unemployment rate can be a good indicator of overall market strength.

- **Occupancy Proportion:** Similar to unemployment rate, the proportion of workers that go to work.

- **Crime Rate**: A lower crime rate is beneficial as it fosters a sense of safety

Correlation between Unemployment Rate and Occupancy Proportion
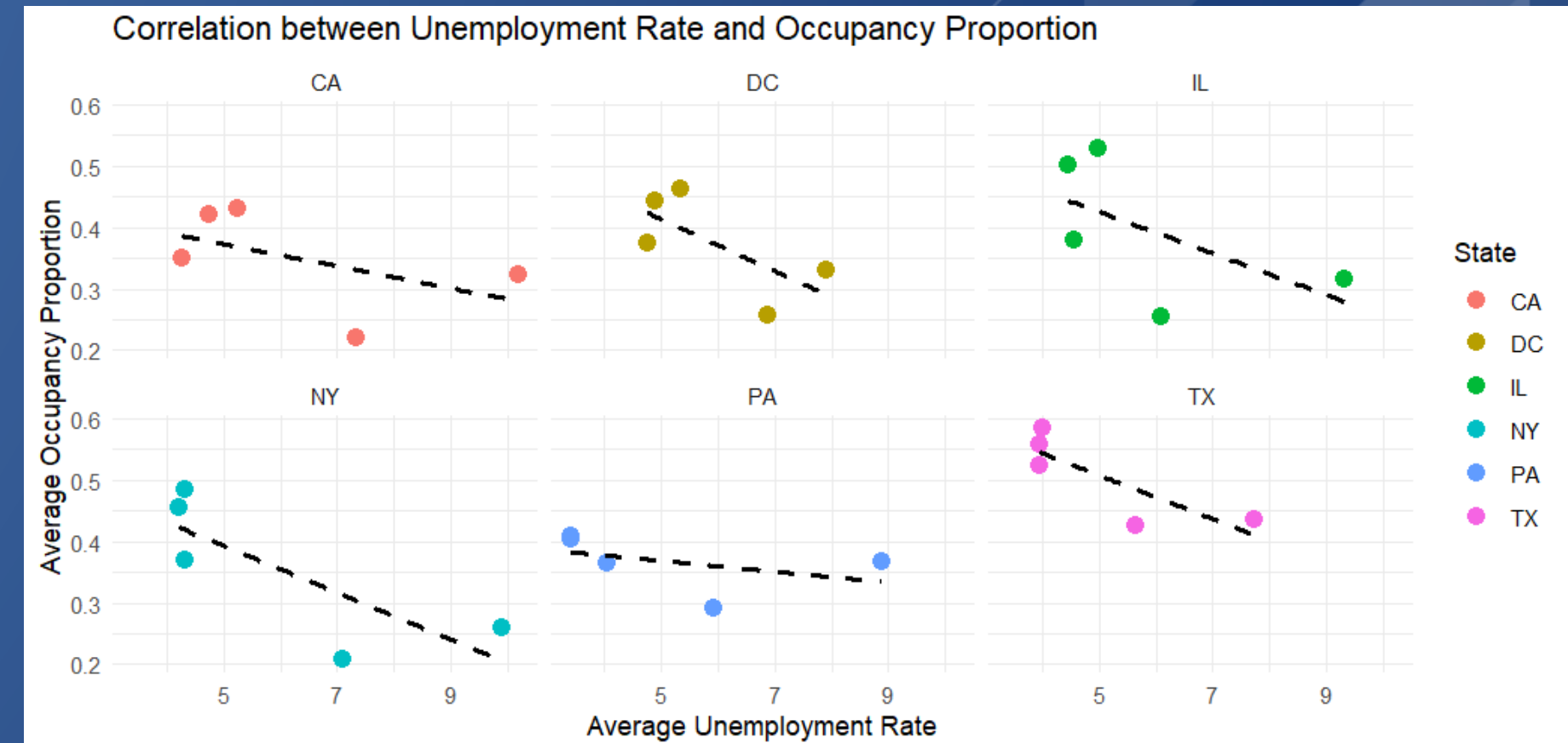
Relevance of Occupancy

- Heavily correlated to unemployment rate (r=-0.685)

- Available for 10 of the 29 markets.

- Not included in future analysis to eliminate redundancy.

Availability Proportion and Rent by Market, Year, and Internal Class

Analysis of Available Space and Price of Rent

←**ANALYSIS**

Availability Proportion and Internal Class Rent graphed over the six-year sample.

Apart from early sharp spikes, there is not much change in weighted rent price over time. However, we do see the availability proportion of different class buildings changing over time and greatly differing prices across markets.
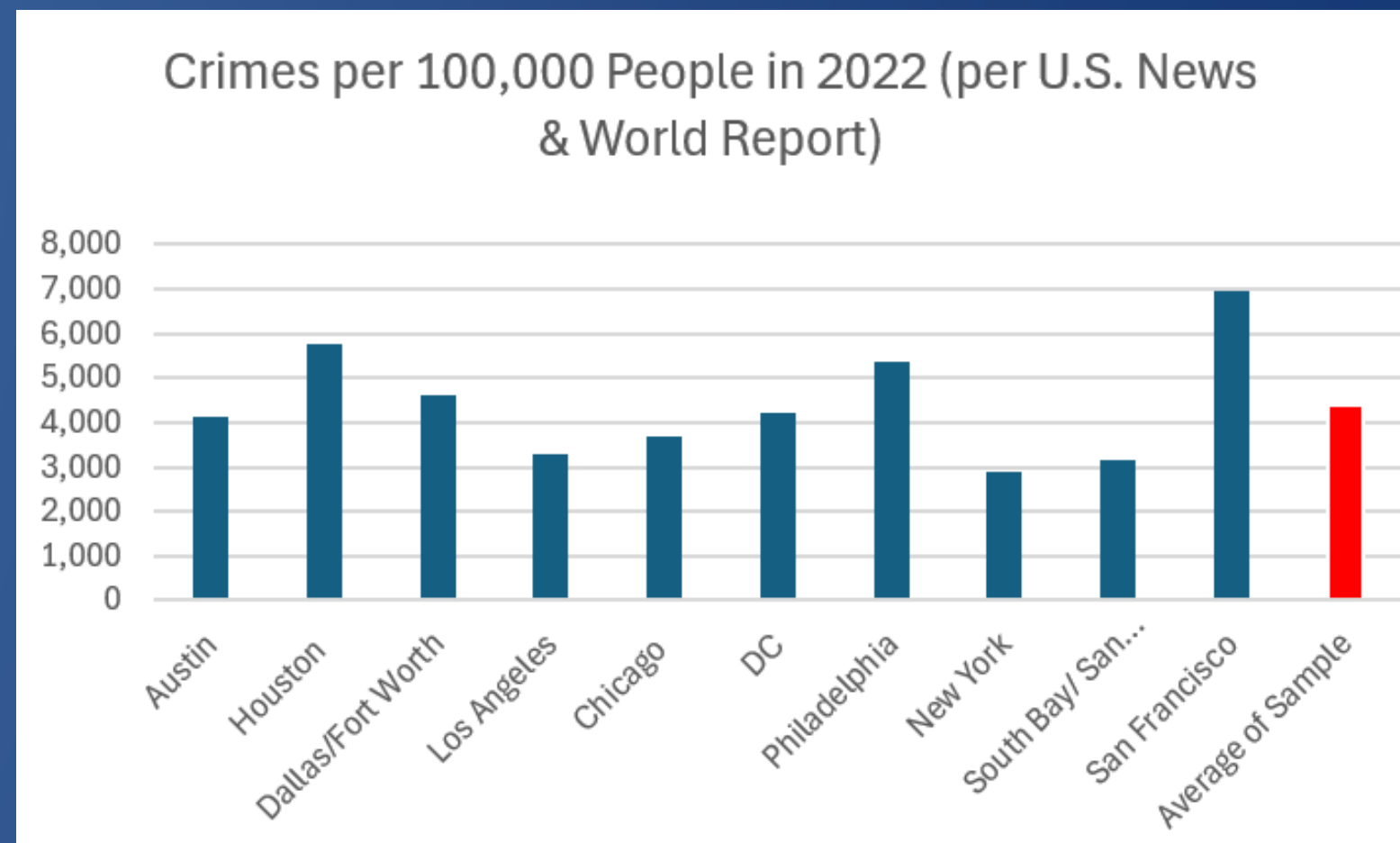
ANALYSIS→

Average unemployment rate peaked in 2020 Q2 and it is decreasing over time after pandemic in 6 states. The states of Texas and Pennsilvania consistantly have the lowest unemployment rates, making these states good choices for relocation companies.

Average Unemployment Rate Over Time by State
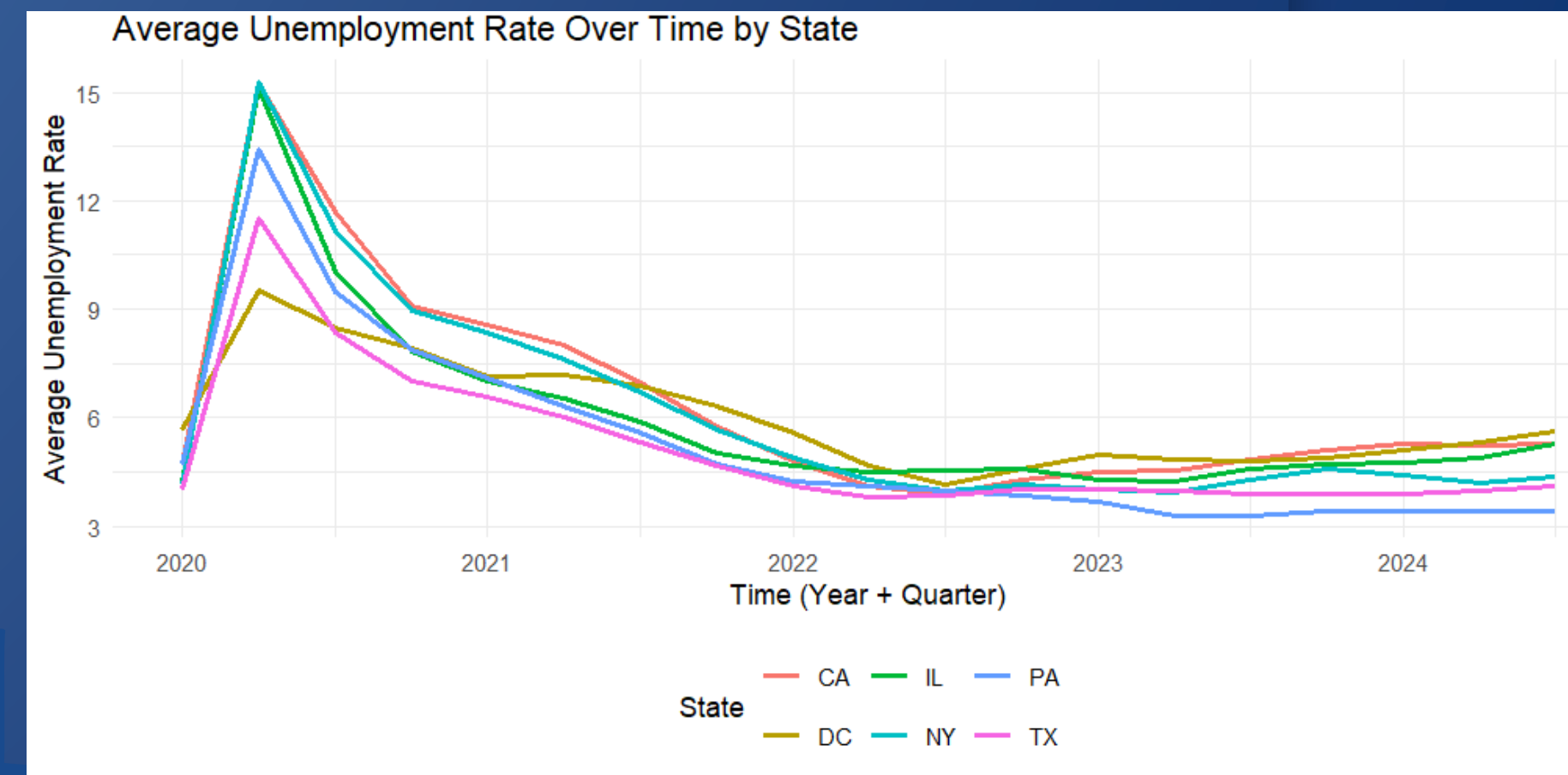
```
> Best_Markets_For_Class_A
# A tibble: 1 × 6
  market        mean_availability mean_availability_yoy mean_rent mean_unemployment_yoy
  <chr>                     <dbl>                 <dbl>     <dbl>                 <dbl>
1 Philadelphia          18077871.                0.0154      31.3                -0.165
# i 1 more variable: avg_unemployment_rate <dbl>
> Best_Markets_For_Class_O
# A tibble: 2 × 5
  market         mean_availability mean_rent mean_unemployment_yoy avg_unemployment_rate
  <chr>                      <dbl>     <dbl>                 <dbl>                 <dbl>
1 Dallas-Ft. Worth       22476019.      22.3                0.0236                  4.68
2 Houston                19875773.      21.6                0.0236                  4.68
```

Crimes per 100,000 People in 2022 (per U.S. News & World Report)

Above Filtering Done By:

- **Internal Class:**
  - A is high quality space. O combines classes B, C, etc. Can be seen as budget.
- **A 50th percentile or better score in each of the following metrics over the six-year sample:**
  - Mean availability
  - Average increase in availability year-to-year
  - Average rent (lowest)
  - Average unemployment
  - Average unemployment decrease year-to-year

SUMMARY

According to the data, Philadelphia is the best choice for companies with high budgets. For companies with lower budgets, Dallas/Ft. Worth and Houston are suitable options, with Dallas being preferable due to its lower crime rate compared to Houston.