

## CASE STUDY

### Property Group Uses SK&A Market Intelligence to Analyze Potential for Medical-Office Building Project

#### Company

The Lauth Property Group, Indianapolis, Ind.

#### Industry

Real Estate Development

#### Challenge

The Lauth Property Group is a commercial real estate developer that focuses on various areas including healthcare, retail, office and industrial. For its healthcare projects, the company depends on healthcare-data providers to research crucial physician information to prioritize and evaluate specific markets and sub-markets. This helps to determine which markets on which to focus their attention and resources. It also helps to gauge the scope of a potential project. The group needs to be teamed with a thorough and accurate data provider that can assess healthcare-related markets throughout the U.S.

In 2007, The Lauth Property Group began working on a development plan for medical offices in the suburban Atlanta, Ga., market. The group's Senior Analyst, Mark Ishimatsu, wanted to learn more about the specific area's demographic trends and need for physicians in order to show his client why the area could support additional medical-office space.

#### Solution

The Lauth Property Group began its relationship with SK&A in 2005, and when Ishimatsu joined the firm in 2006, he was impressed with SK&A's capabilities. "There's no one else with as comprehensive of physician data that can support our research needs," said Ishimatsu. "From a planning standpoint, this information is critical for us. SK&A's data helps determine if we are going to enter a market or not. If we do, it helps us determine specifically where we should be and the scope of the project. All of this information is critical to convince investors and clients that the project will be successful."

Live Counts and Live Access, SK&A's online search tools, made it possible for Ishimatsu to conduct the needed research and develop recommendations for project location, project scope, and what types of medical group specialties would be the highest potential tenants. Live Counts allowed him to find quick counts by medical specialty based on specific geographic factors, and Live Access allowed him to look deeper to find additional information about those physicians.

"We used Live Counts three to four times per day. We can get quick numbers by specialty based on our geographic specifications, like radius, drive times, or other standard geographic variables. Live Access allowed us to download physician-specific information to add further detail to our analysis. Also, the data are easily integrated with our other data analytical software," said Ishimatsu.

The Lauth Property Group purchased a list of individual physicians through Live Access to download and import into its mapping software. This helped Ishimatsu locate specific physician offices and gain a better spatial understanding of the healthcare market, which, according to him, was "critical." The group's leasing consultants also used this data to market to potential tenants for the medical office. "Live Counts and Live Access worked very well for us," said Ishimatsu. "Speed, access to the information, and ease of integration with other key data are what we needed. They allowed us to find and use the information very quickly."

"We've looked at a number of sources for this information to see if someone is better than SK&A, but no, there is never a source that is better. As an analyst, you have to be comfortable with the quality of data. SK&A's data is extremely valuable."

Mark Ishimatsu, Senior Analyst, The Lauth Property Group Consulting

## Results

The market study for the suburban Atlanta medical office building helped convince Ishimatsu's executive investment committee to green light the project. The prospective major tenant was also presented with the market study, and they agreed to prelease a significant portion of space in the project.

"We pride ourselves in knowing healthcare, but it always gave the client comfort to see the data and analysis behind the recommendations. A lot of times, the clients think they need one thing, but your data shows they need another. It helps us to make key business decisions, and helps our clients focus their efforts," Ishimatsu said.

The Lauth Property Group reviews other data providers each year to see if they can find more effective products and better pricing, but they always stay with SK&A. "We've looked at a number of sources for this information to see if someone is better than SK&A, but no, there is never a source that is better. As an analyst, you have to be comfortable with the quality of data. SK&A's data is extremely valuable," said Ishimatsu.