DEVELOPING TYPE OF REAL ESTATE IN SIDOARJO EASTERN RING-ROAD AREA, BASED ON ITS MARKET ASPECTS

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ABSTRACT

Sidoarjo eastern ring-road Area has prepared to be a Central Business District Area (CBD Area) by the local government’s planning. The premature survey indicates discrepancy between the planning and the actual condition in the area. It leads to a supposition that the planning doesn’t suitable with the condition of the market. This study aims to find the type real estate product should developed in Sidoarjo eastern ring-road area, viewed from market aspect.

This study begins by figure out the primary data through interviews with stakeholders from the department or agency that relates to investment in Sidoarjo. This interview aims to gain an overview the market condition in Sidoarjo and projecting the types of real estate feasible to be developed. The obtained data will be presented in cross tabulation and recognized as multi criteria decision making. The data will be analyzed by analytical hierarchy process (AHP) and Weighted Sum Model (WSM).

The result of this study shows that, the most suitable real estate product to build, viewed from its market aspects, is warehouse. According the local planning document, warehouse allocation is much smaller than residential estate allocation. It proves that the document planning is inappropriate with its market condition. Sensitivity test shows that the development of industrial buildings will affect the results of this research. Each respondent in this study had different perceptions in determining which criteria is dominated the others. It is clearly influenced by the intuition, feeling and experience of every respondent.

Keywords: market aspect, Sidoarjo eastern ring-road area, type of real estate