ABSTRACT
The growth of city’s activities and the growth of the population that is increasing particularly in Surabaya, is causing the demand for land rises, making the availability of vacant land become more limited. Therefore it is necessary to conduct an optimization of land use. The case study for this final project is a 1200 m\(^2\) vacant land located in Jalan Biliton. The land used to be a gas station but the owner decided to convert the building of the gas station into a commercial property. Thus the analysis of Highest and Best Use (HBU) on the used land is required.

The analysis of Highest and Best Use (HBU) is aimed to identify the usage of the property that is most profitable and competitive for the land. The analysis uses four criteria which are physically possible, legally permitted, financially feasible, and has the maximum productivity. With this HBU analysis, the alternative property can be planned and considered which one is the most profitable option to be built. The result acquired in this research is that shopping complex is the most profitable alternative that gives the highest value for a used land of gas station with land value as big as Rp 16,536,234/m\(^2\) or an increase of productivity by 65%.

Keywords: Highest and Best Use (HBU), Land, Commercial Property
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