

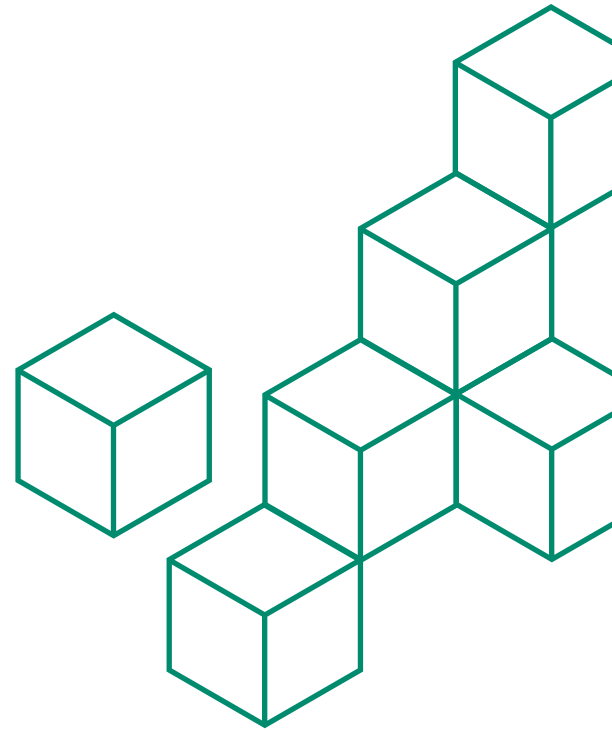


DENSWAP

# Coworking Demand Analysis

## Statement of Confidentiality

This booklet and supporting materials contain confidential and proprietary business information of DenSwap. These materials may be printed or photocopied for use in evaluating the property listed above, but are not to be shared with other parties.



# About This Report

This report analyzes a particular region to give property owners insight into what types of coworking could work well in that area, and to give a starting point to develop further.

As coworking consultants and operators, DenSwap has years of business data from spaces across the world. With over 15 years of experience in the coworking industry, our consultants have seen how every detail comes together to make shared spaces thrive as a community and as a business. As a consulting firm for real estate companies and investment funds, our team has directly launched dozens of spaces from New York City to Ulaanbaatar.

We understand trends in each market and will use that data to help value and plan your space - whether you're looking for the perfect tenant, are ready to strike out on your own, or anywhere in between.

The algorithms used to generate this report are based on ESRI demographic data, combined with our own algorithms developed with data from hundreds of independent and chain coworking spaces across the US. It's meant to be a reliable estimate, but real-world numbers will require a deeper look, and will depend on other data points such as nearby competition.



# Demographics

Each zip code's population is broken down into demographic tapestries that represent the residents' income and lifestyle. These are the top 3 for your zip:

## Demographic Tapestry #1

### Parks and Rec

Suburbanites have achieved the dream of homeownership by purchasing homes within their means. Their homes are older and usually townhomes and duplexes. These families are two-income married couples approaching retirement age; they are comfortable in their jobs and their homes and budget wisely. Neighborhoods are well established. The appeal of these kid-friendly neighborhoods is now attracting a new generation of young couples. Coworking options are appealing due to their smaller homes with kids.

**40.45% (9,008)** of your area's population falls in this category.

This segment is graded **B-** for coworking compatibility.

## Demographic Tapestry #2

### Midlife Constants

Midlife Constants residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metro areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. Their age, lifestyle, and comfort level make them not in need of additional workspace.

**11.19% (2,491)** of your area's population falls in this category.

This segment is graded **D** for coworking compatibility.

## Demographic Tapestry #3

### Rustbelt Traditions

The backbone of older industrial cities in states surrounding the Great Lakes, Rustbelt Traditions residents are a mix of married-couple families and singles living in older developments of single-family homes. While varied, the work force is primarily white collar, with a higher concentration of skilled workers in manufacturing, retail, and health care. It is a large market with modest incomes, but a net worth of nearly \$400,000. Coworking does not have a strong appeal to this group.

**10.77% (2,399)** of your area's population falls in this category.

This segment is graded **C** for coworking compatibility.

# Demographics

The most qualified demographic segments for your target area are combined with nearby driving-distance demographics to create a likely customer base.

Our research looks at the three largest tapestries within each area. Each demographic tapestry is then assigned a coworking grade ranging from A to F. Only the portion of each zip code that scores between A and B (highly graded) are considered 'potential coworkers'. Those numbers are tallied, and then only 3% to 6% of those represent the true customer base. We have recently revised the numbers up from 2% to 5% due to COVID-19 and the speeding of the work-from-home movement.

## Average Annual Household Income

**\$100,101**

## Est. Adult Population

**26,211**

## Maximum Customer Base

**13,588**

## Likely Customer Base

**408 - 815**

### Region Demographics

## Zip 12205 (Albany, NY)

Parks and Rec	Midlife Constants	Rustbelt Traditions
<b>40.45%</b>	<b>11.19%</b>	<b>10.77%</b>
(pop. 9,008) Grade B-	(pop. 2,491) Grade D	(pop. 2,399) Grade C

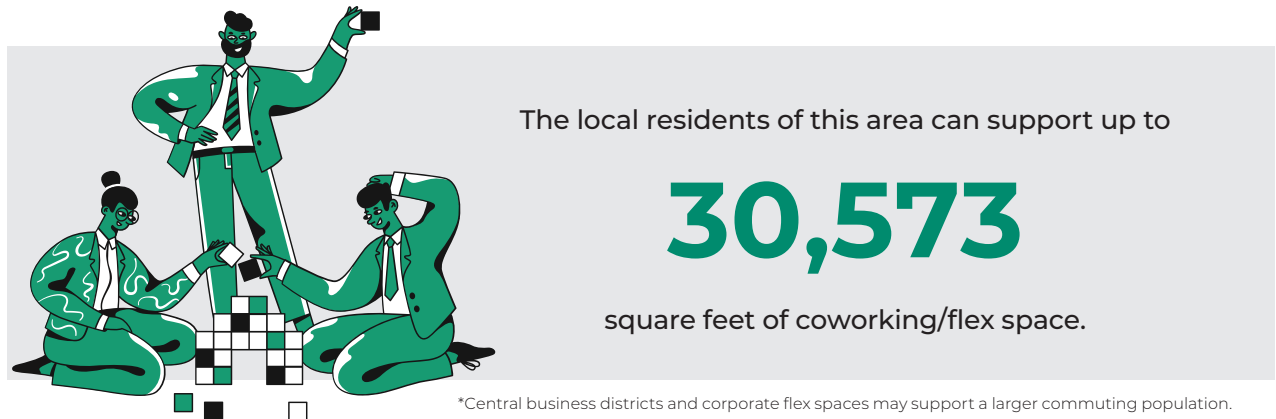
Region	Grade A	Grade B	Total
1. Zip Code	1,192	12,396	13,588
2. 15-minute drive	22,966	13,952	36,918

Category	Statistic	Favorability to coworking
Population Density	1,650.2	Neutral
Undergraduate Degrees	4,373	Weak
Graduate Degrees	3,417	Very Strong

Gen Z	Millenials	Gen X	Boomers	Silent/Greatest
<b>18%</b>	<b>24%</b>	<b>22%</b>	<b>27%</b>	<b>9%</b>

# Coworking Recommendations

Based on your area's demographic makeup, here are our general recommendations for a successful coworking business in this zip code.



## Suggested Coworking Models

### Modern Executive Suites

Well-designed, fully-furnished offices that go for a premium rate. Clients tend to be small businesses and older, higher-income professionals. Expect a \$70-100/sqft buildout.

## Suitable Property Types



Shopping Center



Office Tower



Office Park

# Get the full picture.

DenSwap's *Focus & Feasibility Report* gives you everything you need to assess, start, and run a successful coworking business for the first two years.

Reports are \$5000, with bulk/portfolio discounts available on request.

## **Competitive Analysis**

We'll review the flex spaces in your area, find market gaps and opportunities, and create the plan and coworking model for your particular community.

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## **Space Allocation**

We'll tell you exactly how many offices to build, give you exact sizes, and tell you how much to charge for each of them - for your specific building and business model.

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## **Buildout & FF&E Budget**

By far, the biggest mistake we see with new spaces is a poorly-planned and expensive buildout. We'll make sure you're set up correctly for your market and goals.

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## **2-year Proforma & Profit Projections**

Don't play guessing games - we'll build a monthly budget, estimate how long it'll take to hit break-even after launch, and how much money you'll make once the space is full.

## **No need to do it yourself.**

## **DenSwap can match you with an experienced operator to run your space.**

The future of CRE is flex. Management agreements allow property owners and coworking operators to partner together to reduce risk and build a profitable business for both parties. As the market experts in management agreements, we can do the heavy lifting for both parties. We'll do the research, build the proformas and guidance reports, match you with our network of property owners and coworking operators, assist in creating the legal documents, and work to build a profitable partnership that stands the test of time.

We're here to help you get started with coworking. Reach out to us at any time:

[hello@denswap.com](mailto:hello@denswap.com)



**DENSWAP**

Thanks for reading. If there's anything else we can help with while you're planning, building, or operating your space, don't hesitate to reach out at any time.

