



## Istanbul Finance Center Project and Its Effect on Regional Real Estate Prices

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### Extensive Summary

#### Introduction

The region called Istanbul West Atasehir neighbourhood is planned to be the area where Istanbul Finance Center Project is settled. It is expected that the underlying project will strongly affect the real estate prices in the neighbouring areas. Therefore, it would be a valuable information for investors who are planning to invest in real estates relating to the Istanbul Finance Center Project. By the theory of Huff's the attractiveness of a location is strongly related to the distance. In order to determine the expected future increases in real estate prices for the neighbouring locations, a number of regional experienced real estate agents was interviewed. Moreover, the factors that are expected to influence the real estate prices are identified and ranked by their significancy levels.

Istanbul is an ancient city where a number of civilizations and cultures intersect. Moreover, Istanbul is the most populated city of Turkey and produce the highest economic value and tax revenues for the country. Istanbul is already presumably a center for regional trade, tourism, cultures and reachways. Therefore, making Istanbul a finance center will add a great value for the city of Istanbul, for Turkey and for the regional countries. The Turkish government passed a law three years ago defining a road map making Istanbul initially a regional and eventually an international financial center.

#### Method

In order to identify the neighbouring regions around the finance center project, a face-to-face survey is conducted. A number of experienced real estate agents are asked to identify the nearby neighbourhoods that are likely affected most by the finance center project. After identifying the neighbouring areas, the factors that affect the real estate

prices are asked to interviewers. The agents then ranked all possible factors. Table 1 below shows the factors that are pointed by the agents.

**Table 1. The Factors Affecting the Prices of Real Estates around the Finance Center**

Factors	Rank
Istanbul Finance Center	1
Residency Projects	2
Motorways	3
Strong Ground	4
Demographic Dispersion	5
Shopping Malls	6
Public Transportation	7
Subways	8
Café-Restaurants	9

## Results

This study investigates any expected future increases in the real estate prices in the neighbouring locations related to the Istanbul Finance Center Project. Initially, the names of the neighborhoods nearby the Istanbul Finance Center are determined by a survey study. A number of regional experienced real estate agents are interviewed face-to-face. Later, the factors that likely affect the real estate prices are examined. Finally, these factors are ranked. The findings show that the most attractive neighbouring locations to Istanbul Finance Center are the areas presented in Illustration 1 below. The factors that likely to affect the real estate prices are ranked as the decision on the location of Istanbul Finance Center, the availability of residency projects, distance to motorways, quality of ground for earthquake, shopping malls, demographic dispersion of the region, public transportation, subway and restaurants.

**Illustration 1. Most Promising Neighbouring Locations to Istanbul Finance Center**

