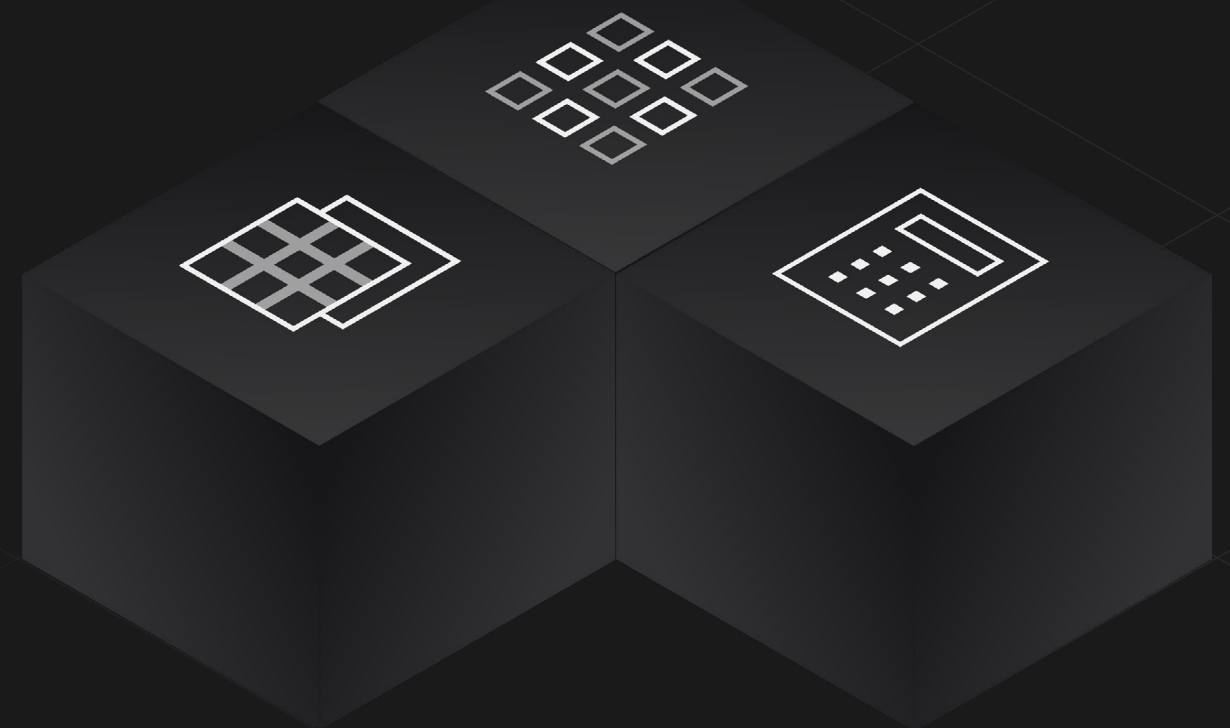# The ROI of AI in Real Estate Feasibility for Developers

Insights from TestFit developer customers using our real estate feasibility platform, powered by real-time AI, to save time, reduce risk, and find the right deal fast.

TESTFIT

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# It's Time to Leverage AI to Reinvent the Development Process

We all feel it. With the rising cost of goods, high interest rates, and inflated home prices, we're living in a pressing affordability crisis across the board. But amidst the economic uncertainties, recent years also marked the burst of artificial intelligence. The real estate sectors are experiencing a technological revolution as AI becomes deeply integrated into various stages of design and construction workflows.

JLL's 2023 Global Real Estate Technology Survey reports that AI and generative AI were ranked among the top 3 technologies that were expected to have the greatest impact on real estate over the next three years.

To adapt to these economic challenges and new technology, developers are now looking to design, finance, and construction technology to save time, reduce risk, and increase profitability.

This report offers a detailed look at how our developer customers set themselves apart in this competitive market by equipping their teams to do more with TestFit. By automating monotonous, error-prone steps in the deal process, we're also de-risking the most complicated assets the world has ever built.

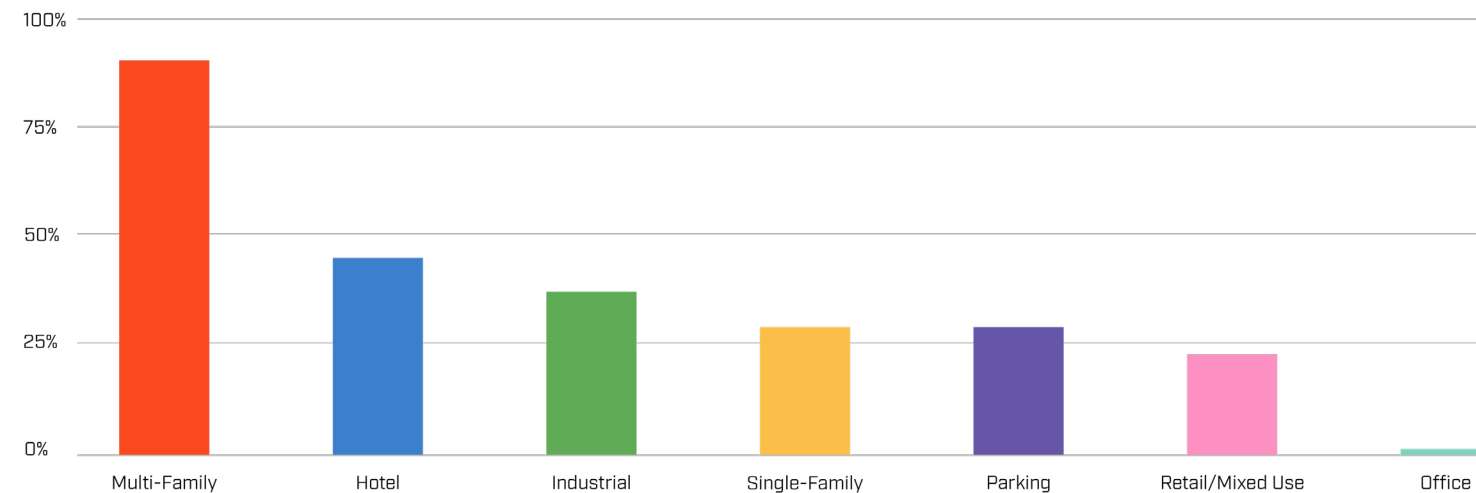**It's time to build what the world needs—fast.**
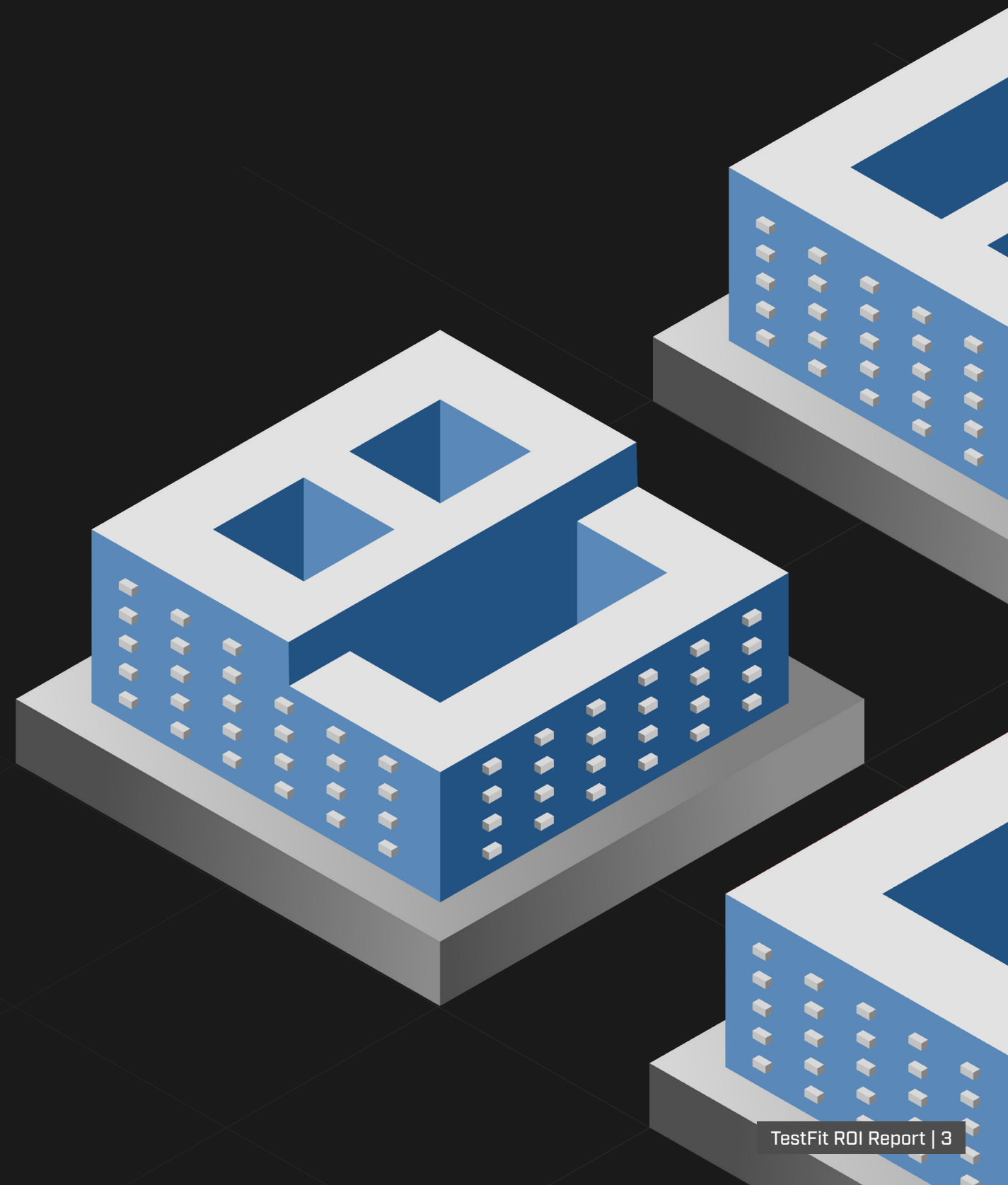
Survey Participants

We conducted a survey with **346** TestFit customers in real estate development. All responses gathered are self-reported, and any references to customer respondents, users, or any stakeholder group mentioned in this report, unless otherwise noted, refer to those who participated in the survey.
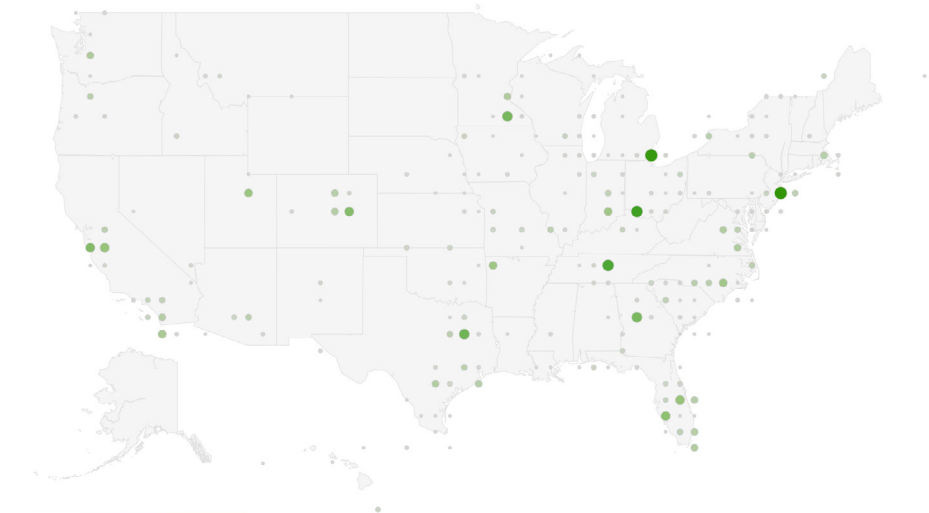

Locations

Testfit deals are now located in **61 countries** across the world.

- 119.33 - 143
- 95.67 - 119.33
- 72 - 95.67
- 48.33 - 72
- 24.67 - 48.33
- 1 - 24.67

In the United States, TestFit is used in deals across **46 states.**

Typologies

Typology	Value
Multi-Family	~90%
Hotel	~44%
Industrial	~37%
Single-Family	~29%
Parking	~29%
Retail/Mixed Use	~22%
Office	~1%

The Future of Real Estate Feasibility

How many hours have you wasted on bad deals that never pencil out? Compounding this inefficiency, the deal team—including **architects, engineers, contractors, and real estate developers**—typically works in silos, particularly during the feasibility phase.

An AI-powered real estate feasibility platform provides a space for the deal team to collaborate between design, cost, and constructability, so you can get on the same page quickly.

Leveraging the ROI of AI in real estate feasibility isn't just about saving hours from manual drafting and meticulous counting, but it also unlocks:

Increased accuracy with automatic costing and quantity takeoffs.

Reduced risk by optimizing for the best solution and maximizing the return on investment.

Increased deals won with real-time data to make informed investment decisions.

And more importantly, with all that time saved, **maximized potential** for every site.

With better site planning comes more efficient land use and more housing for all—an important consideration in addressing today's housing crisis.

To help developers understand how AI technology is reshaping the real estate industry, we turned to our customers to gain some insights. We surveyed TestFit customers who are real estate developers across different sectors to find out where they're getting the most significant returns.

Find Your Focus, Fast.

With so much new AI software on the rise, we're not surprised to see the real estate development industry following suit. For developers, leveraging an AI real estate feasibility platform is yielding a result in **saving time, reducing risk, and winning more deals.**

» Developer respondents reported that they're getting feasibility studies done **10x** faster.

83%
of developer respondents believe that using TestFit increases the accuracy of their feasibility studies.

2 out of 3
developers agree that TestFit is an important factor in their ability to close a land deal faster.

These are some of the top findings of how our developer customers are leveraging TestFit to gain a competitive edge. Let's dive right in.

It's Time to Save Time.

"TestFit has been very useful for initial site layouts. TestFit makes it easy to lay out a site plan, without waiting on architects. It helps **save time by laying out site plans very quickly** and determining if a site is viable for a certain product type without the hassle of multiple revisions."

Targee Tomisin
Land Acquisitions Manager at Steward Land

Do More in Hours, Not Weeks

It takes weeks, and sometimes even months, to get a real estate feasibility study done. Developers don't have the luxury of weeks to make decisions on a new property—they need to know if the deal pencils to compete on land deals fast.

But manual, spreadsheet-based processes and non-integrated software between design and development don't allow them to move fast enough. enough.

With real-time AI, TestFit can rapidly generate multiple building configurations with financial data and quantity takeoffs. This drastically reduces the time traditionally required for back-and-forth revisions and manually calculating essential development data like yield on cost.

Our developer customers are reporting that they get 10x faster in site planning so they can focus on more important tasks like closing deals that will get built.

Over **16 Hours Saved** per Feasibility Study

Developers estimated the average **number of hours** per feasibility saved by using TestFit:

16.7 Hours Saved

"Knowing how many units you can fit on a site in a brief period allows us to be **quicker than other developers.** We can have a complete financial model with a site in one day."

Daniel Marakovits
Tre-bel Housing

Get Site Planning Done 4-10x Faster

42% of developers have reduced time spent on feasibility studies by **90%.**
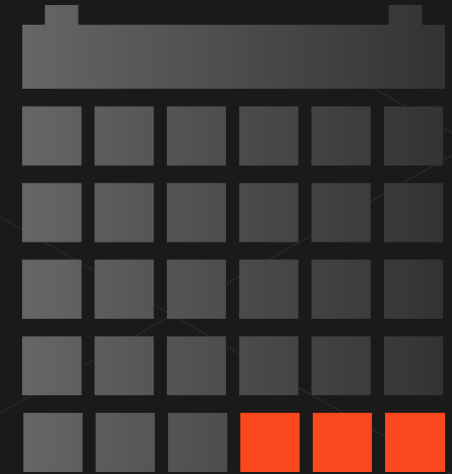
› Before TestFit

41+ Hours

› With TestFit

0-5 Hours

90% ↓ reduction
in time spent on feasibility studies

"At Resia, we're always looking to streamline the process from land acquisition to construction to help solve housing prices for the workforce middle class. TestFit helps us meet that mission efficiently by accelerating our site planning efforts 4x faster."

Selma Rabelo
VP VP of Corporate Product, Compliance & Innovation at Resia

2-3x Design Iterations

On average, our developer customers are generating **2-3x more design iterations** using TestFit's real-time AI.

"As a developer, quickly evaluating iterations of sites is critical. The ability to mass **multiple schemes on a site quickly** is very powerful.""

Mark Venturella
Director of Design and Construction at Altus Properties
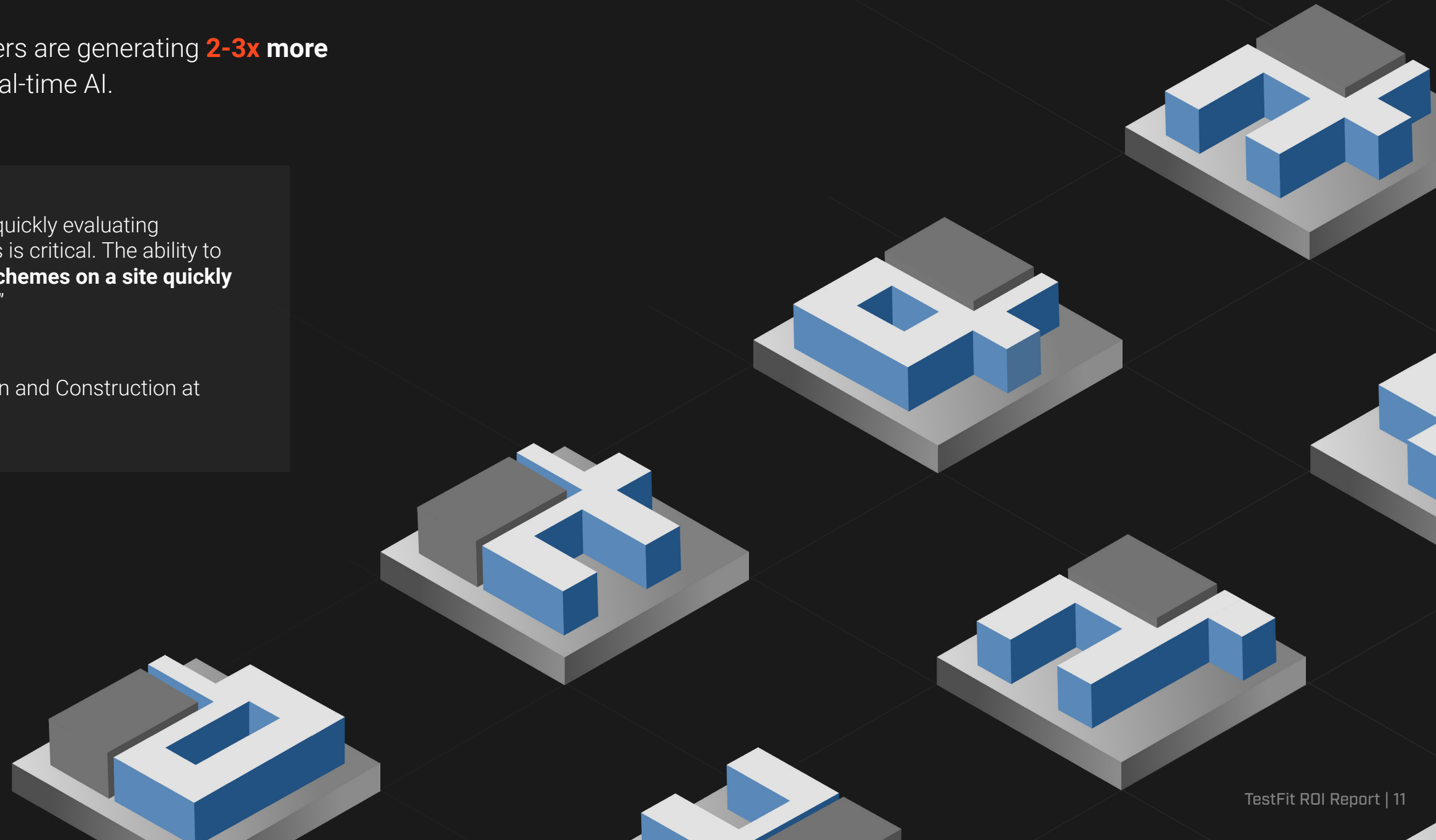
Minimize Risk and
Increase Confidence

"Software that just extrudes boxes doesn't work for a developer who needs financial pro formas that make sense. It's the difference between a viable project and one that's make-believe. TestFit gives us the power to **make more informed decisions, faster.**"

Iman Novin
Principal at Novin Development Corp

[Learn how Novin Development Corp secured $7.4M in funding with TestFit >>](#)

Reduce Risk Early On

Real estate development is risky and complicated, yet it often relies on a fragmented approach across multiple companies to get a building project up and running. With rising interest rates, tightened regulations, and vastly volatile pricing, poor collaboration in the feasibility stage increases risk exposure—working from outdated data, unexpected site issues, or inaccurate financial modeling.

Traditionally, everyone works in silos where the site plan is separated from its financial model. To minimize risk in the feasibility phase, we need a site plan that's always tied to pro forma, so that design and cost can update simultaneously in every design iteration.

Real-time AI can help you find the best-optimized solution based on your interior building program and exterior requirements so you can maximize site potential with the best yield possible. Site constraints and code regulations are taken into account in each iteration, ensuring that designs are compliant from the outset, and reducing legal and regulatory risks.

More importantly, by involving development data early on in conversations, we build more trust between all stakeholders, leading to more efficient and informed discussions and approvals.
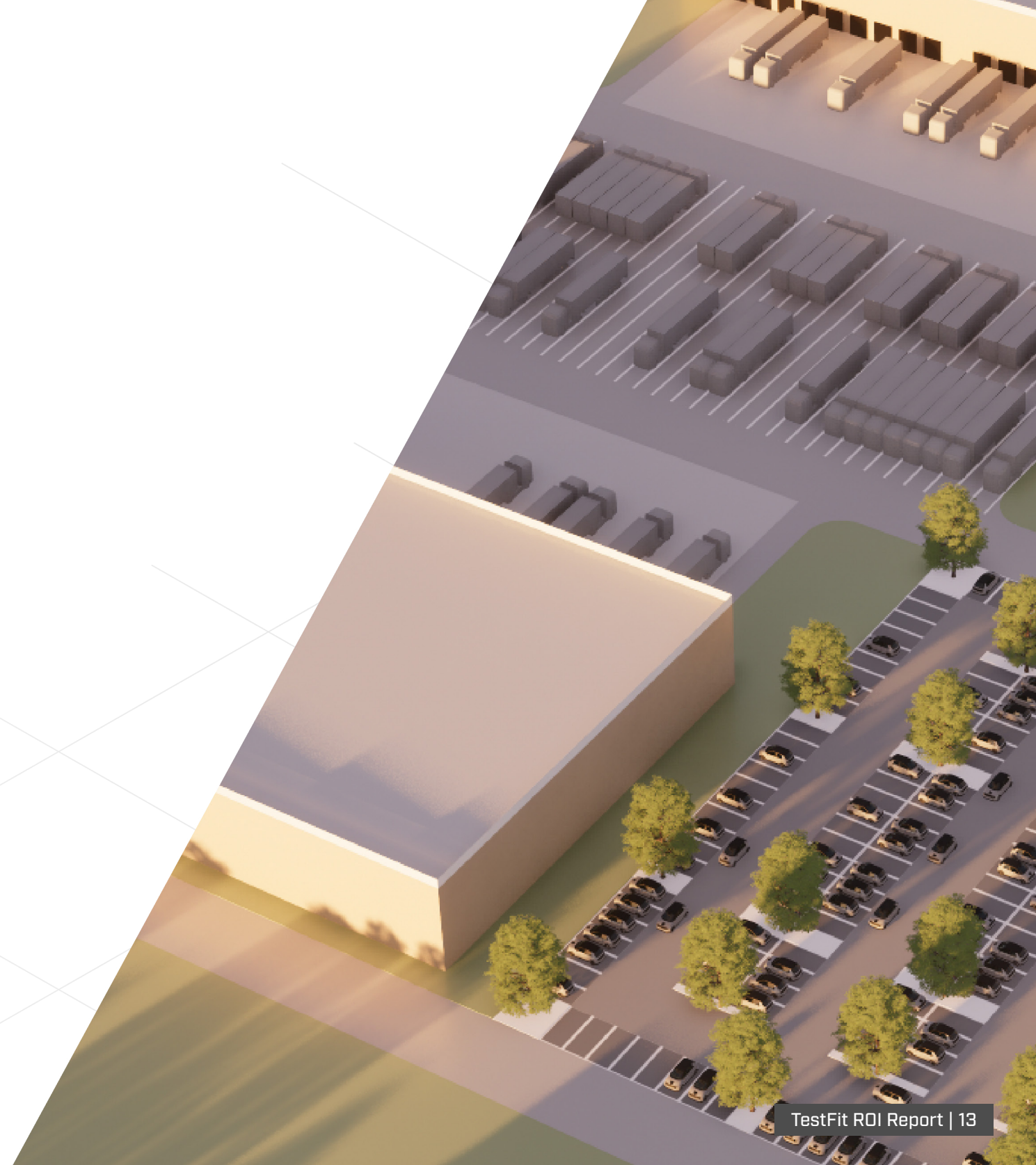
Increase Accuracy with Confidence
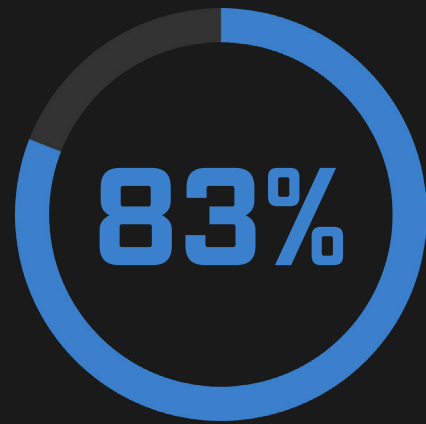
83% of developer respondents believe that using **TestFit increases the accuracy of their feasibility studies.**
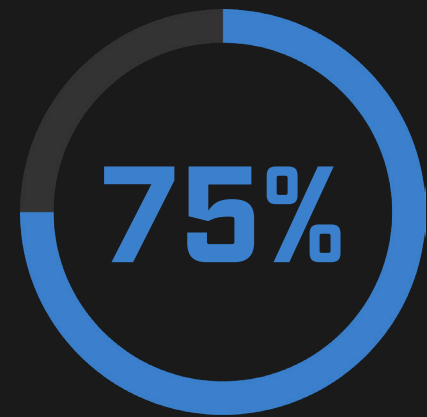
"In the design sessions, we can get to a massing or a yield that's probably **within 10% to 15% margin of error,** oftentimes in 30 minutes or an hour. That usually takes weeks with a traditional design process."
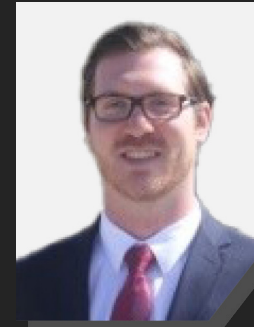
Michael Bernstein
Development Manager at The Geyser Group

Teamwork Makes for Better Work

## 75%

of developers agree that TestFit has **improved their internal communications and collaboration between teams.**

"TestFit allows us to run quick density studies **without exhausting the resources of our architecture department.** This also allows us to make quick decisions on projects that otherwise would've taken days to figure out."

Scott Ryan
Development Manager at Swenson Group
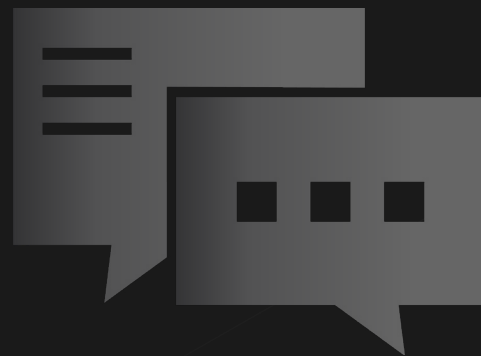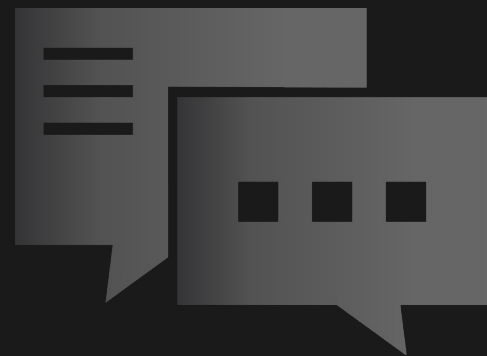
Real-Time AI Builds Better Relationships

2 out of 3

customer respondents agree that TestFit has **improved their external relationships** with clients, consultants, and contractors.

Developers' Reasons for Better Relationships	%
Fast concept Iterations	83%
More design options for reviews	50%
Less back and forth	33%
Easier hand-off	25%
All financial data and quantity takeoff in one place	25%
Better Communication	17%

"TestFit de-mystifies the real estate development process. By involving development data in conversations, we reduce suspicions and **build more trust between city planners and developers.**"

Jamin Kimmell
Partner at Cascadia Partners

Win More Deals, Fast.

"In the past 18 months, we have underwritten over 300+ development opportunities and could not have done it without TestFit."

Brandt C Stiles
Principal at Subtext Development

Beat the Market with Faster Feasibility

Only 1 in 40 deals ever become real projects—most just hang around, wasting everyone's time. Developers are wasting too much time and money on deals that never pencil out, losing out on land opportunities in today's competitive market.

"There were cases where once we went back to the broker with the underwriting and massing study, the piece of land was gone," said Selma Rabelo, VP of Corporate Product at Resia, "so we had to solve this problem and that's when we came across TestFit."

In the fast-paced game of winning deals, we need an edge. Leveraging AI in feasibility studies provides that edge. Developers can assess the feasibility of a deal quickly, saving everyone time and ensuring that only viable projects move forward.

Rapid design iterations mean the deal team can make any changes in real-time during those otherwise unproductive meetings. Coupled with accurate financial data and conceptual cost estimates, developers can understand the true value of a site to make informed decisions on the right deals with confidence.

2 out of 3 Developers Close Deals Faster

66%
of developers agree that TestFit is an important factor in their ability to close a land deal faster.

"TestFit allows us to quickly understand the yield on land sites, and confidently make offers based on that data. We would not have been able to get through as many iterations as quickly, and we probably wouldn't have been able to realize as much yield out of this site without TestFit."

Michael Bernstein
Development Manager at The Geyser Group

Why TestFit? It's Time.

A real estate feasibility platform is more than just a tool—it's an investment to reinvent your development process in the AI era. TestFit changes the industry norm from manual drafting and calculations to dynamic, data-driven iterations. It bridges the gap between developers, architects, and contractors, fostering a collaborative and efficient feasibility approach.

Connecting design, cost, and constructability on a single platform leads to significant productivity improvements and better deal outcomes, so we can accelerate good real estate deals down the pipeline to build better communities faster.

TestFit makes site planning easy to help you maximize potential and get the right deals done faster. TestFit takes care of tedious tasks like counting and calculating the yield on cost by generating rapid concept iterations based on your parametric input.

From housing, retail, hotels, and industrial to commercial, and all the parking and infrastructure required to build those, our real-time AI configurators allow for rapid iterations with fully customizable interior layouts and site designs to help you reduce risk and maximize potential.

With TestFit, developers can save time, reduce risk, and win the right deals, fast.
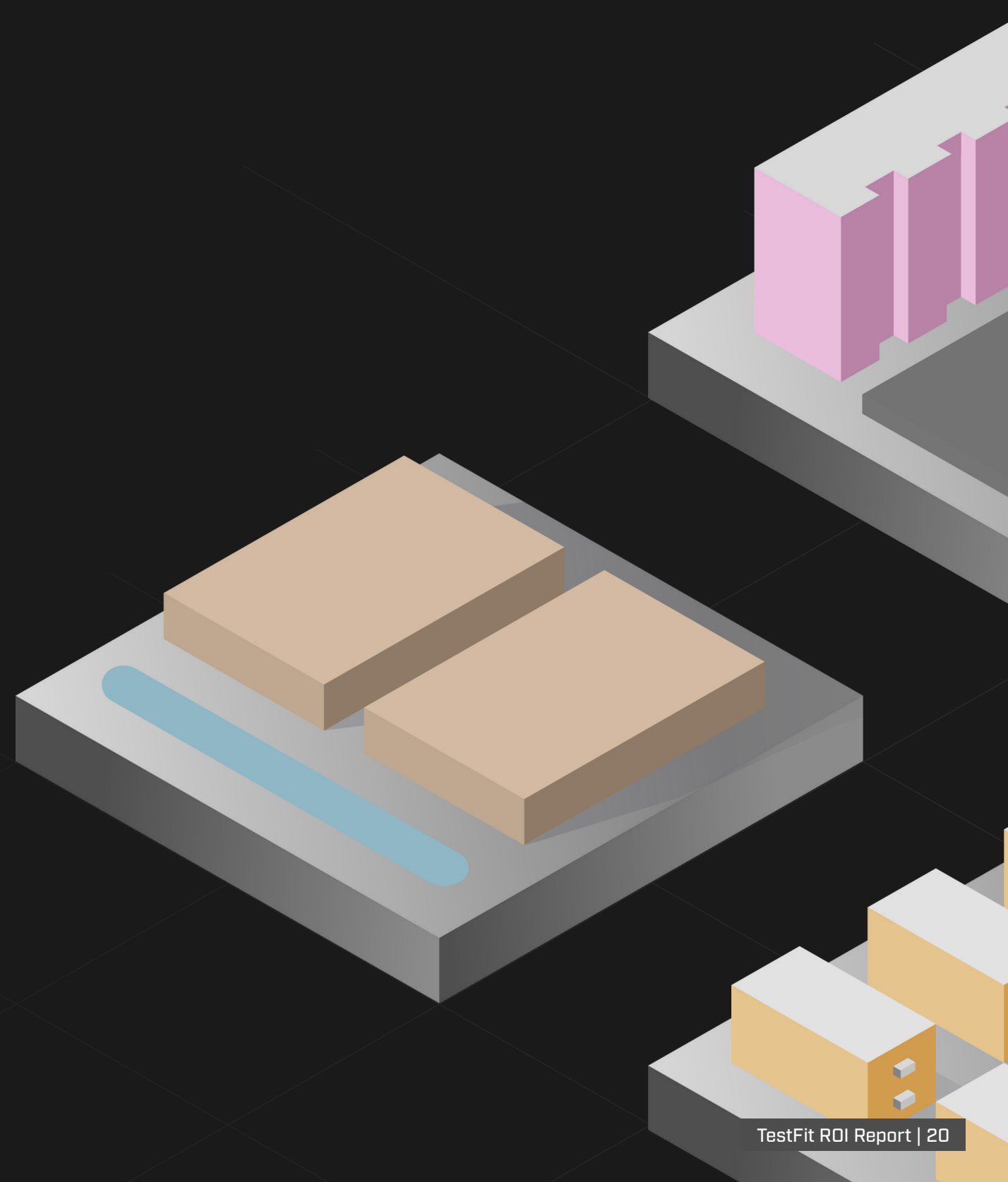
About TestFit

TestFit is the leading real estate feasibility platform for developers, architects, and contractors to realize the full potential of land through trusted automation. **Over 650 deals are evaluated every week on the TestFit** platform. Our AI configurators optimize for the best design solutions with real-time insights into design, constructability, and cost so the deal team can save time on site planning, reduce risk on acquiring deals, and increase site potential.

See how you can maximize your ROI with TestFit.

Talk to Sales

Or give us a call at 469-895-6389.

Design

Concept Iteration

Proforma Optimization

Constructability

Cost

Productized Delivery