

# **The Evaluation of environmental changes in the historic centre of Venice an hedonic-hierarch approach**

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## **Abstract**

This report presents a model for the valuation of benefits generated by environmental and urban improvement investments. The model uses a hierarchal multi-attribute procedure for modelling a function of urban real estate values. Using the expertise of the local real estate agents, all relevant variables influencing building values have been weighted in a synthetic set of cardinal indicators. Then, market prices have been used in order to estimate hedonic functions which translate the indicators into market values. The valuation model has been integrated into a GIS environment for the analysis of spatial distributions of values and of variations of values induced by hypothetical improvements. The model has been developed on the background of the residential real estate market in the historic centre of Venice in order to test its application in a case study: the protection from high tides by the Mose system.

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