



# Bushwick Real Estate Analysis

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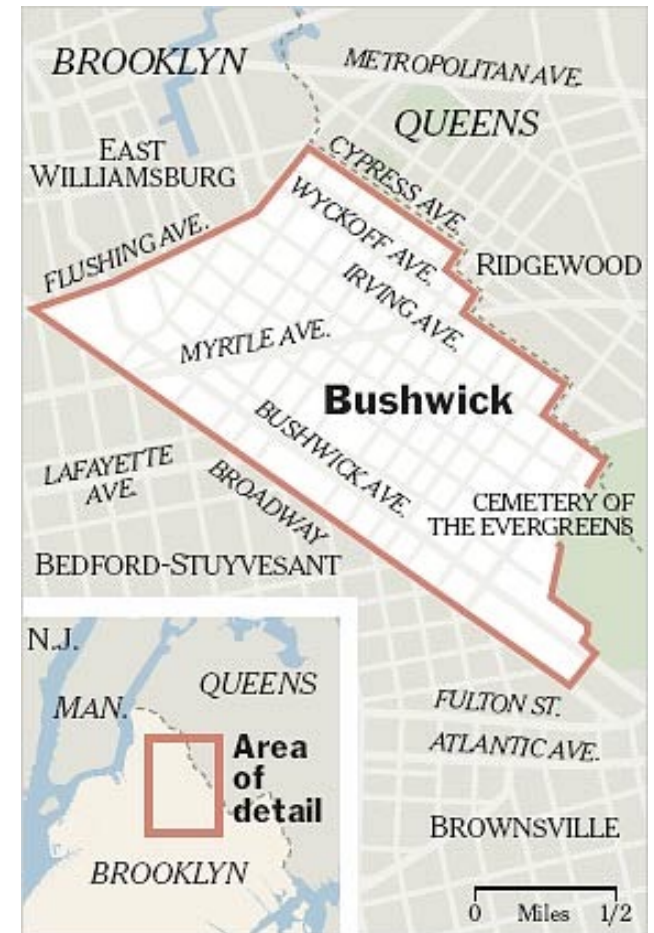
December 14, 2021

# Overview

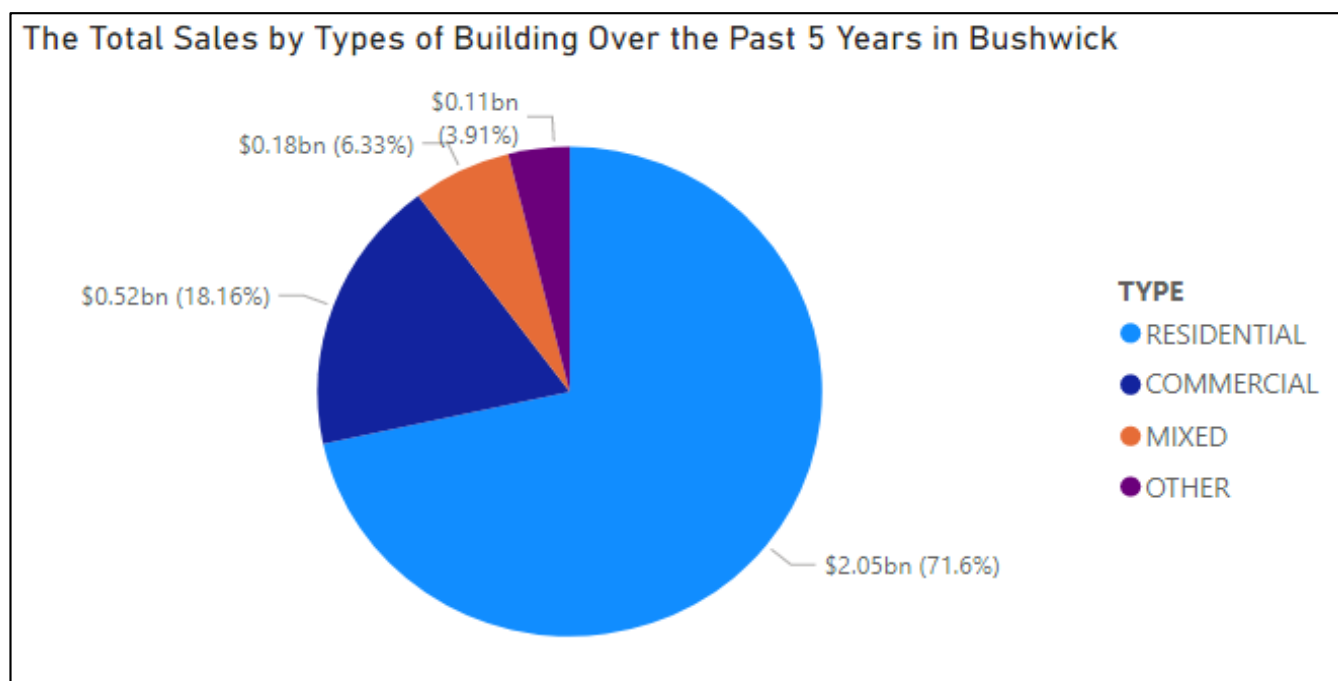
- Brief introduction to Bushwick
- Last 5 years
- Projections for next 8 quarters
- NPV of profit over next 8 quarters
- Recommendations
- Life cycle management

# Bushwick

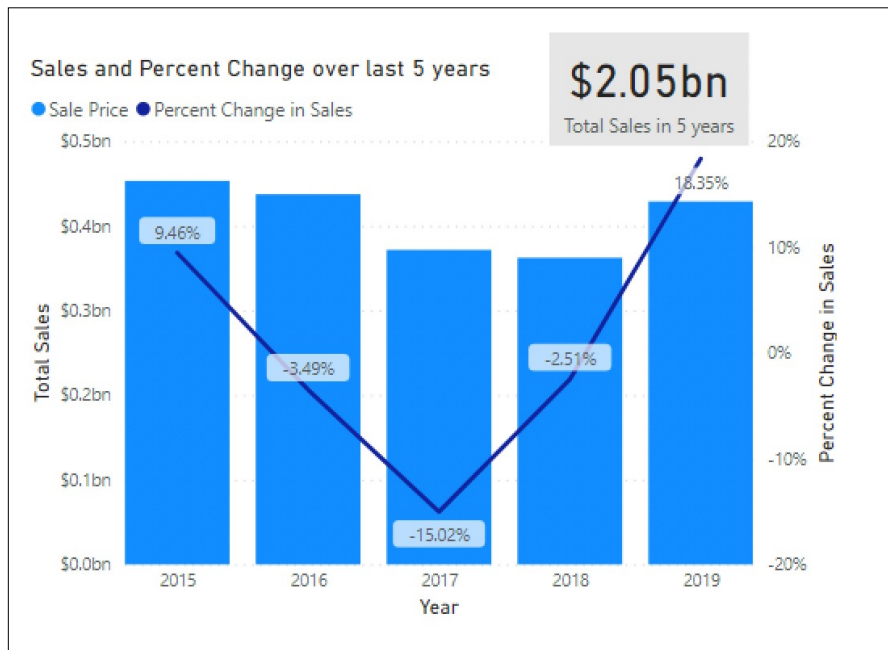
- Neighborhood in northern Brooklyn, NY
- **Nearby neighborhoods:** Ridgewood, Bedford-Stuyvesant, Williamsburg
- **Total Area:** 2.34 sq mi
- **Total Population:** 129,239



# Last 5 years



# Last 5 years



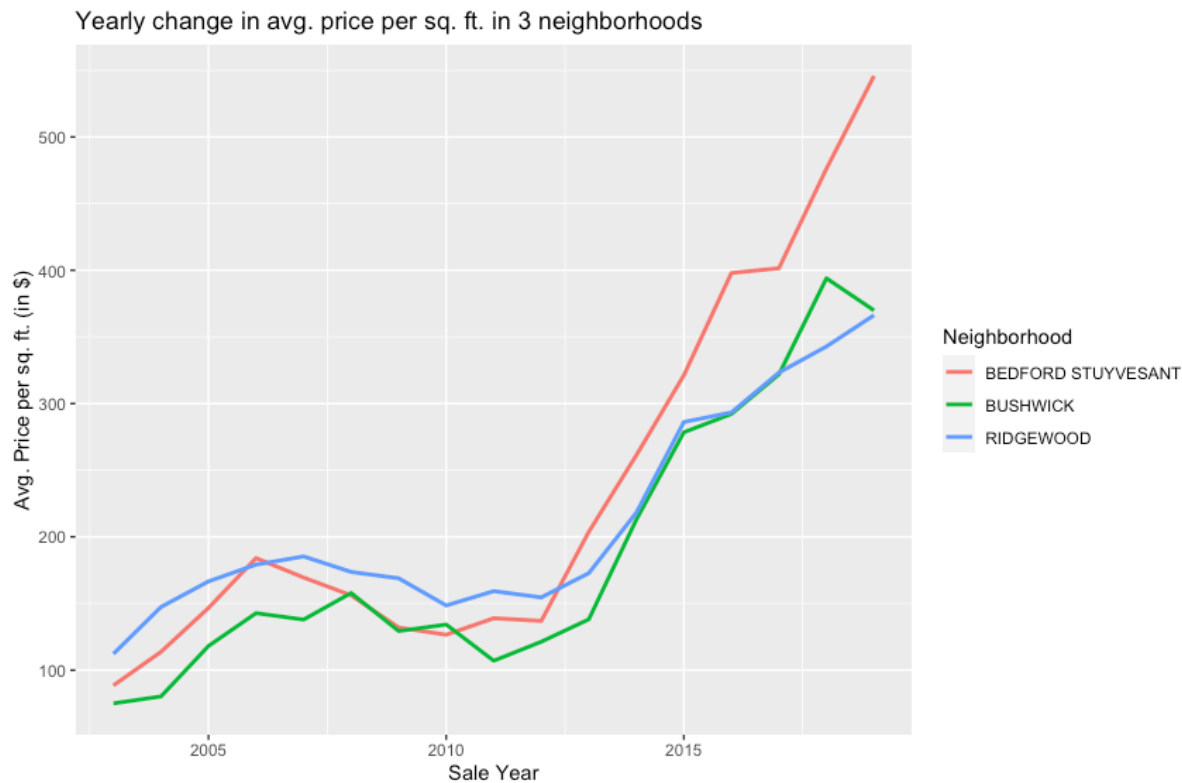
In the year  
2019

**\$428.83M**  
Total Sales

**\$21.44 M**  
5% Commission

**\$24.44M**  
Revenue with 6% MP

# Price Per Square Foot



Price Per Sq Ft  
2019

**\$369.91**

Bushwick

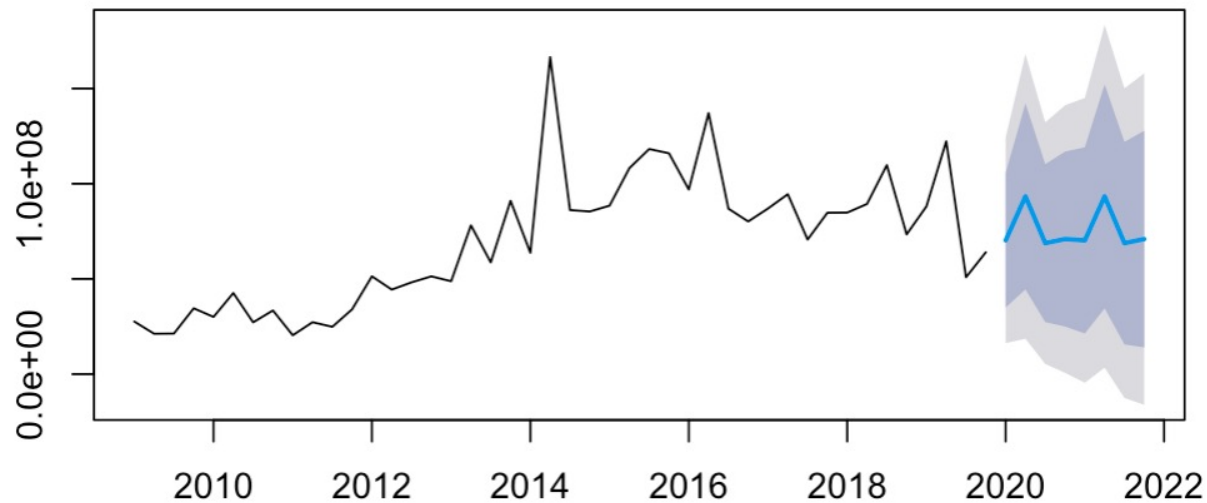
**\$366.30**

Ridgewood

**\$545.74**

Bedford Stuyvesant

# Sales Projections – Next 8 quarters



Sales	
Quarter	Sales Forecast
2020 Q1	\$70.3 M
2020 Q2	\$93.3 M
2020 Q3	\$68.8 M
2020 Q4	\$71 M
2021 Q1	\$70.3 M
2021 Q2	\$93.3 M
2021 Q3	\$68.8 M
2021 Q4	\$70.9 M

## NPV of profit over next 8 quarters

	Optimal Solution		Alternative Solutions
Employees hired	0	1	2
Commission	4.67%	5.00%	5.33%
Market Penetration	6.00%	6.00%	6.00%
Quarterly operating Cost	\$5K	\$23.7K	\$42.5K
Avg. quarterly commission	\$212.3K	\$227.5K	\$242.7K
Avg. quarterly profit	\$4.33M	\$4.32M	\$4.30M
NPV	\$32.4M	\$32.3M	\$32.2M



# Comparing Bushwick & Bedford Stuyvesant

	BUSHWICK	BEDFORD STUYVESANT	
<b>Commercial price per sq. ft (2019)</b>	\$445.36	\$544.91	
<b>Employees hired</b>	1	1	
<b>Commission</b>	5.00%	5.00%	
<b>Quarterly operating Cost</b>	\$23.7K	\$25.4K	<b>Increases by 7%</b>
<b>Market Penetration at 6%</b>	\$75.8M	\$268.1M	<b>Increases by 250%</b>
<b>Avg. quarterly commission</b>	\$227.5K	\$803.4K	<b>Increases by 250%</b>
<b>Avg. quarterly profit</b>	\$4.32M	\$15.32M	<b>Increases by 250%</b>
<b>NPV</b>	\$32.3M	\$114.2M	<b>Increases by 250%</b>

# Recommendations

- Recommend to set up office in Bedford Stuyvesant.
- Total NPV in 8 quarters: \$114.2 M
- Outlook for the next 8 quarters are positive.
- Quarter 2 and 4 sales are seasonally high.
- Hire 1 employee and monitor the sales figures closely. If outlook is positive hire a second agent.

# Life Cycle Management of Analytics Model

- Database to be updated with latest data to reflect current market.

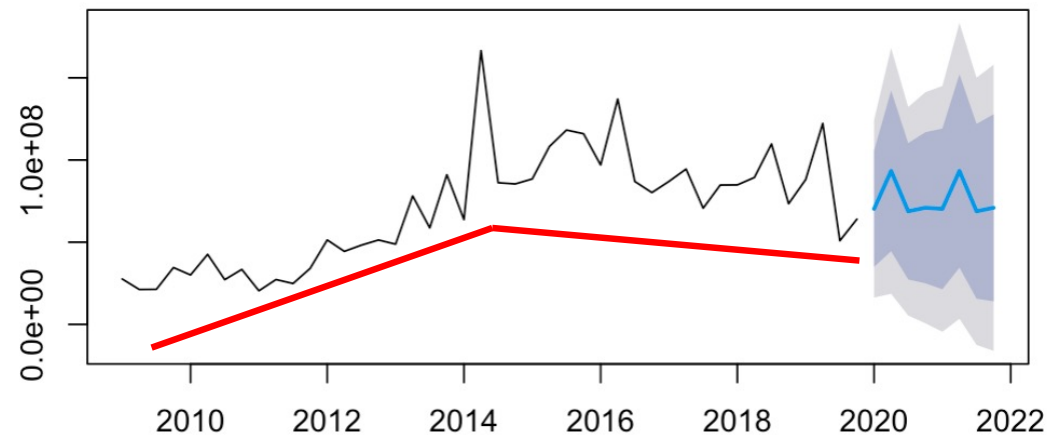
- Data inconsistencies to be rectified.

For example: sale prices listed at \$1, \$10 and so on.

1209 DEKALB AVENUE listed as sold for \$6M in 2012.

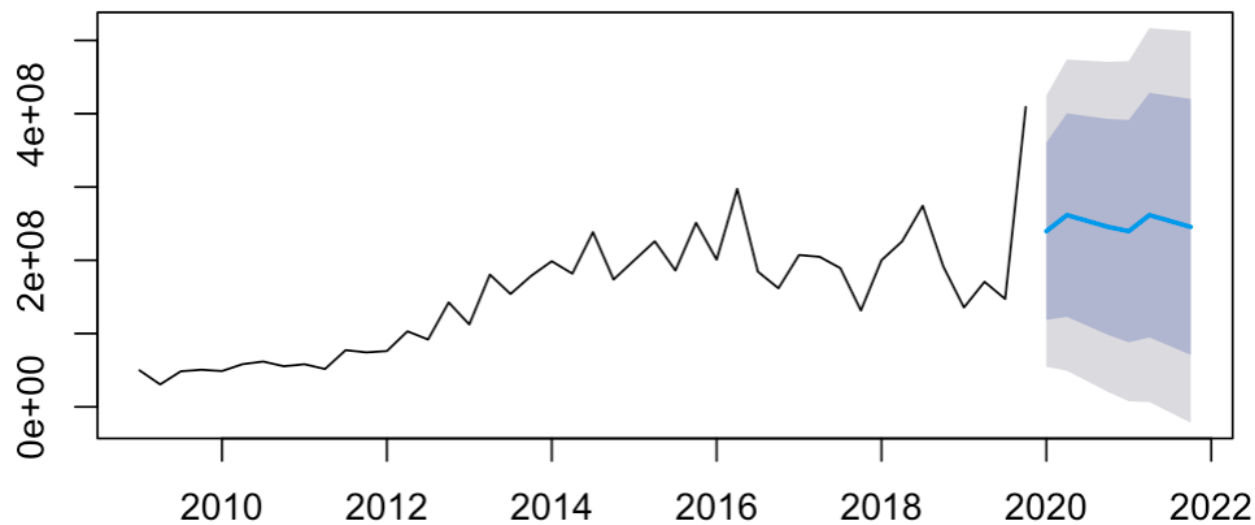
Resold at \$58M in 2014.

- Forecasting models to be monitored carefully.



Thank You!

# Sales Projections – Bedford Stuyvesant



Sales	
Quarter	Sales Forecast
2020 Q1	\$239.7 M
2020 Q2	\$261.6 M
2020 Q3	\$253.5 M
2020 Q4	\$245.4 M
2021 Q1	\$239.7 M
2021 Q2	\$261.6 M
2021 Q3	\$253.5 M
2021 Q4	\$245.4 M