NY Real Estate Investment

Presented by,

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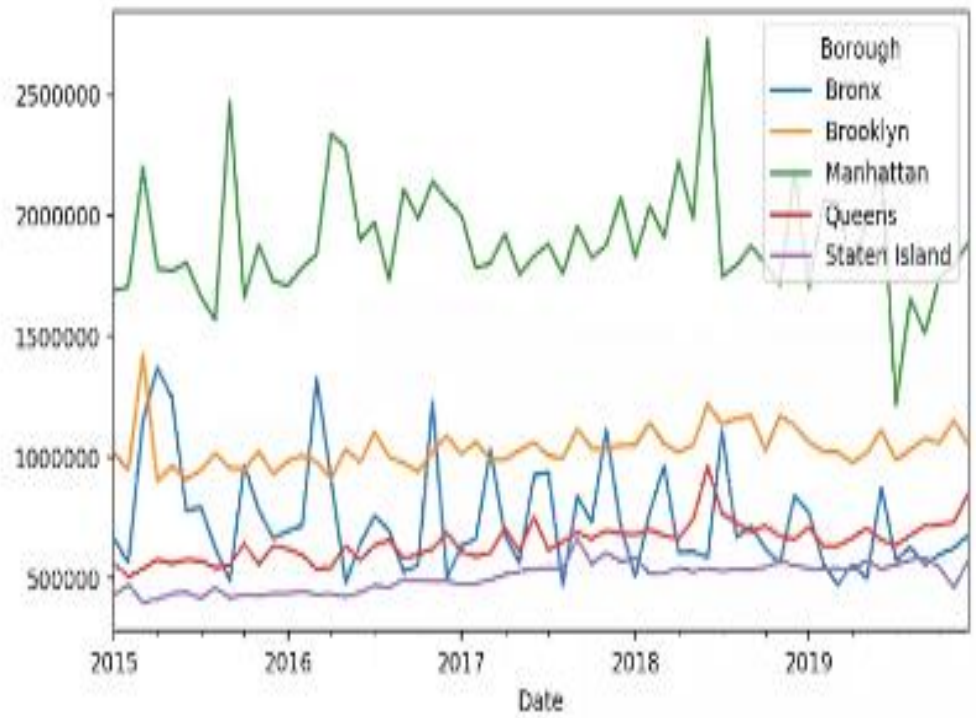
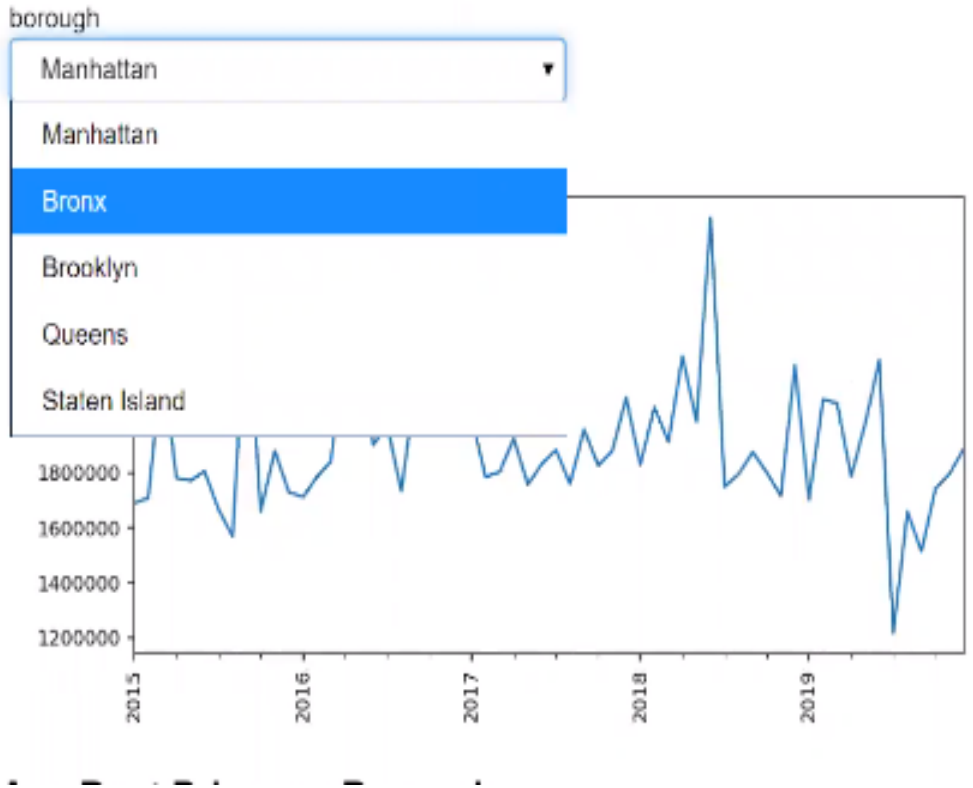
NYC Real Estate

- Objective - Investing in Real Estate in NYC Boroughs as an investment strategy for both Rental and Sales properties
- Manhattan, Brooklyn, Queens, Bronx, Staten Island
- Data Source
  - Attom API - Historical Sales Data
  - NYC Open Source - Data - GeoMapping, Zip to Neighborhood Mapping
  - Zillow - Historical Rent Data
  - ***Data is pre COVID****
- https://github.com/ShakedRj/project_01_fintech

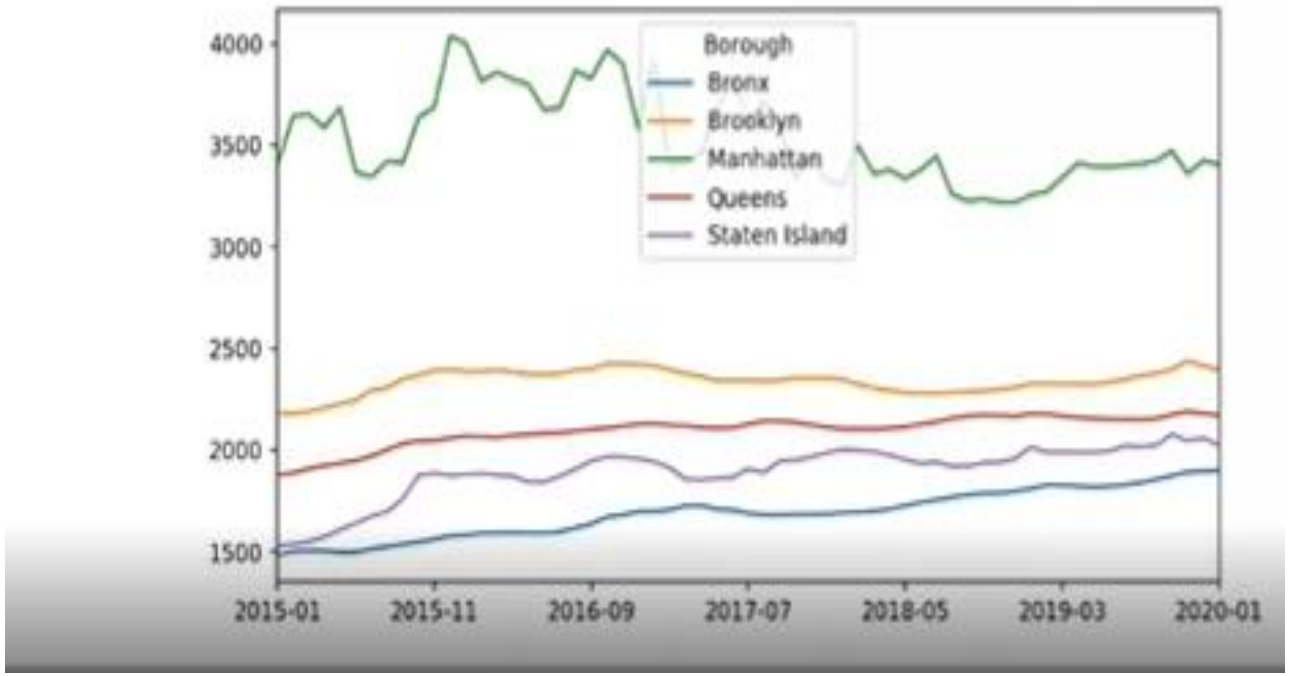
Avg Sale Price per Borough



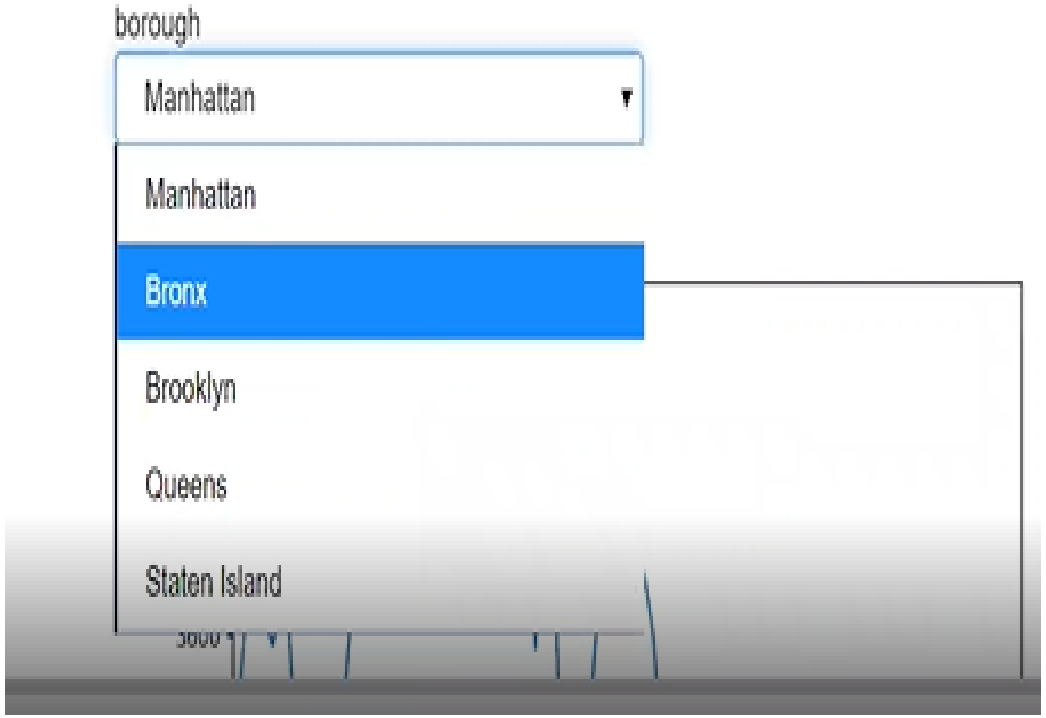
Avg Sale Price per Borough



Avg Rent Price per Borough

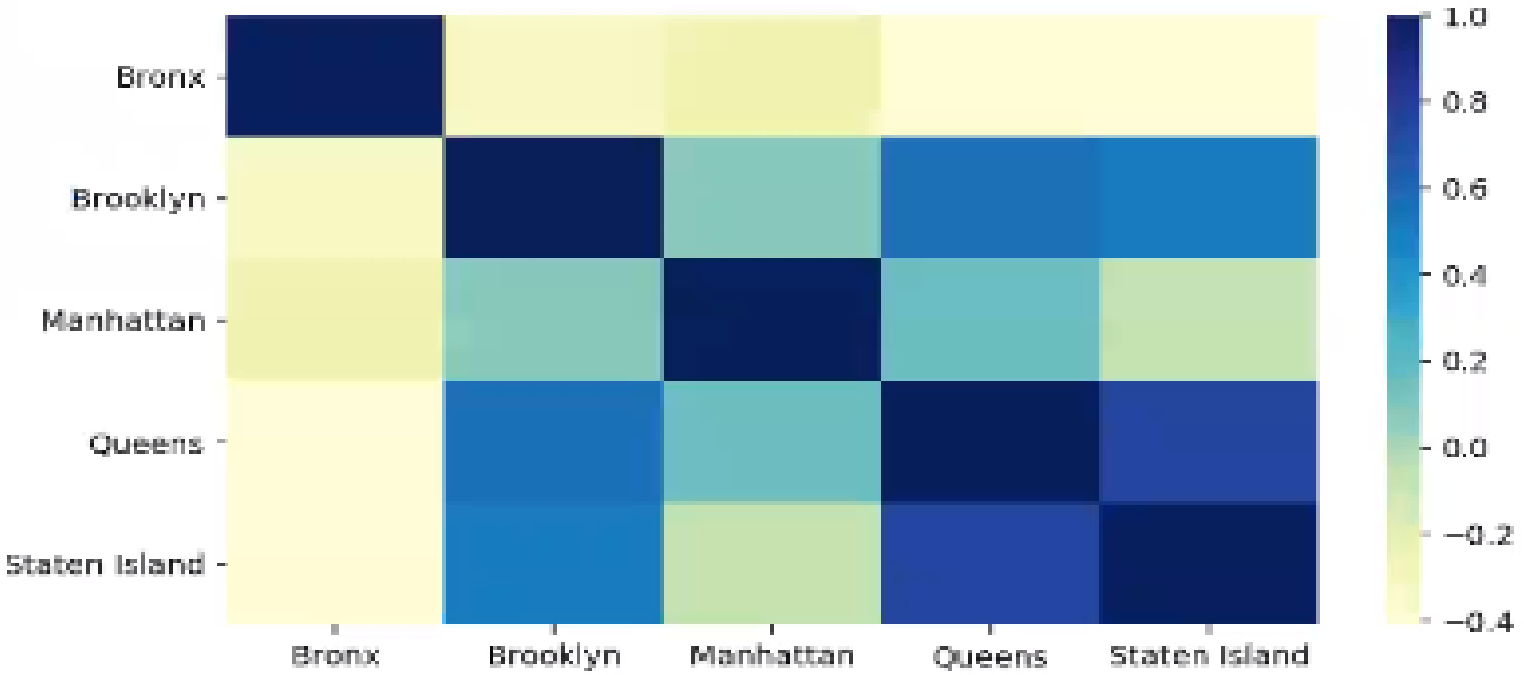


Avg Rent Price per Borough



Sales Heat Map

Sale prices in Manhattan are negatively correlated to sale prices in the Bronx and Staten Island.
Sale prices in Queens and Staten Island are highly correlated.



Rent Heat Map

Rent prices in Manhattan are negatively correlated with rent prices in the Bronx, Queens and Staten Island. Rent prices in the Bronx, Queens and Staten Island are highly corrolated. Manhattan rent prices are weakly correlated to Brooklyn rent prices

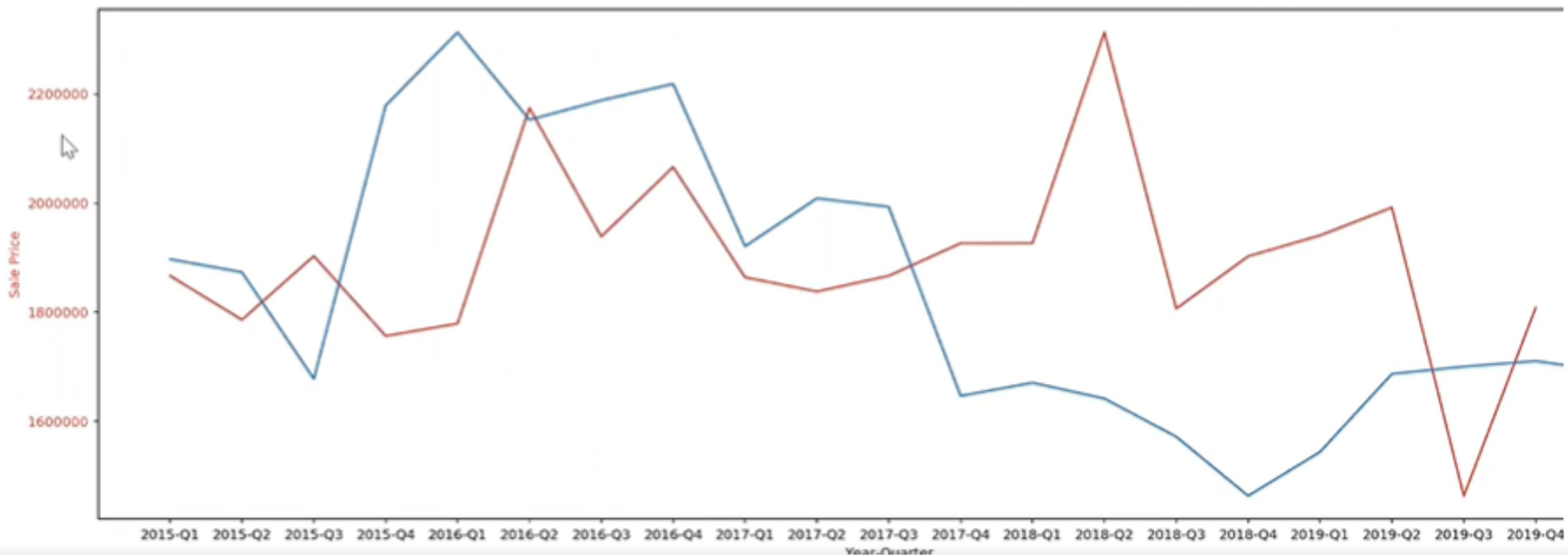
Avg sale & rent prices | Interactive avg prices | Heat Maps | Correlation | 2019 Sales | Sales map | 2019 Snapshot | 2018/2019 Changes

Rent / Sales Prices Correlation

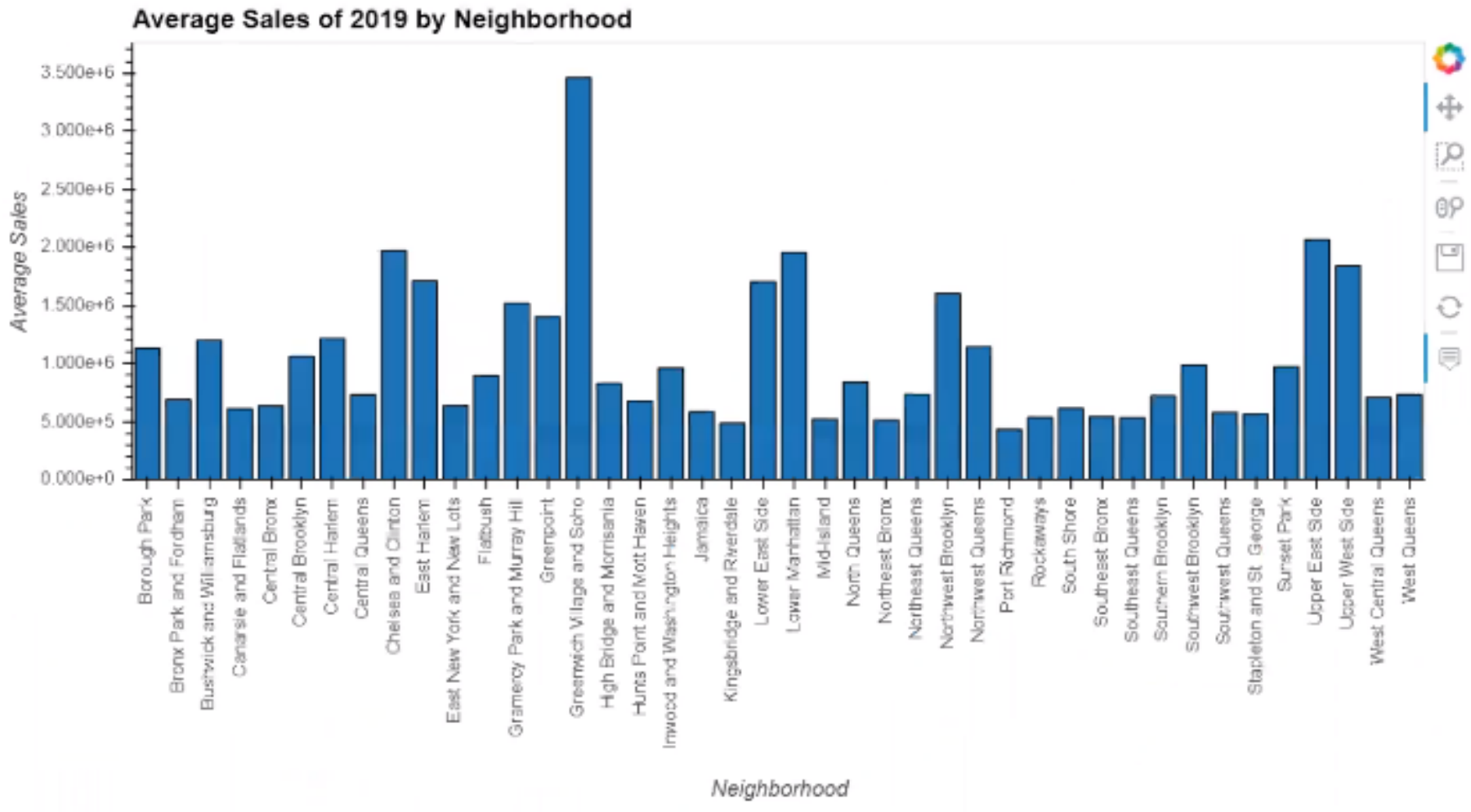
- Rent and sales prices in Manhattan have move in tandem until 2017 where we see sales prices start to skyrocket.
- Rent and sales prices in the Bronx are less correlated with rent prices increasing relative to sales prices since 2016.
- Rent and sales prices in Brooklyn are negatively correlated across the past 5 years.
- Queens rent and sales prices are correlated and have been increasing for the past 5 years with rent prices remaining consistently high relative to sales prices.
- Rent and sales prices in Staten Island are correlated and have also been increasing for the past 5 years with sales prices spiking in 2017.

borough

Brooklyn



[91]: Avg sale & rent prices | Interactive avg prices | Heat Maps | Correlation | 2019 Sales | Sales ma | 2019 Snapshot | 2018/2019 Changes



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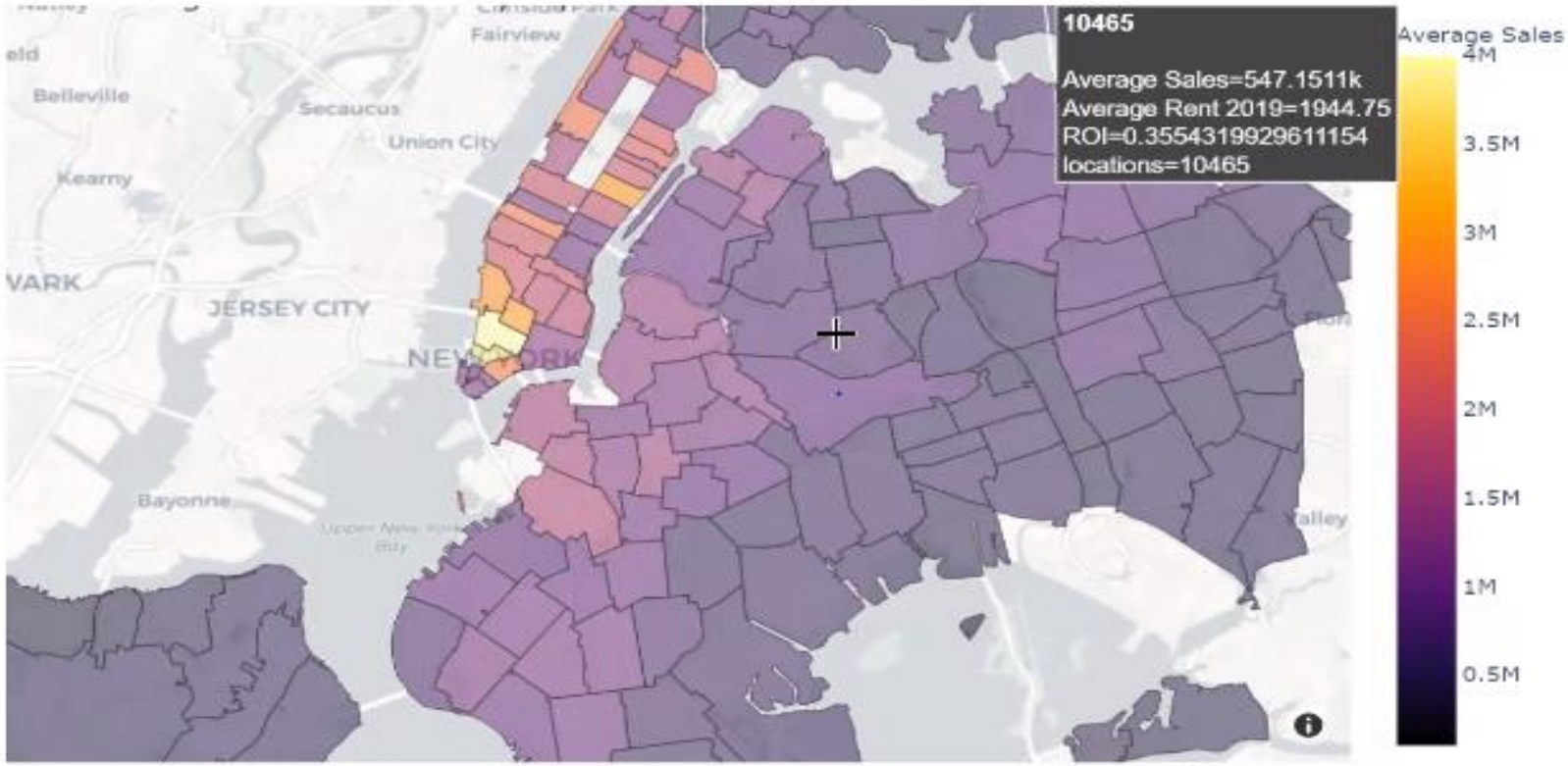
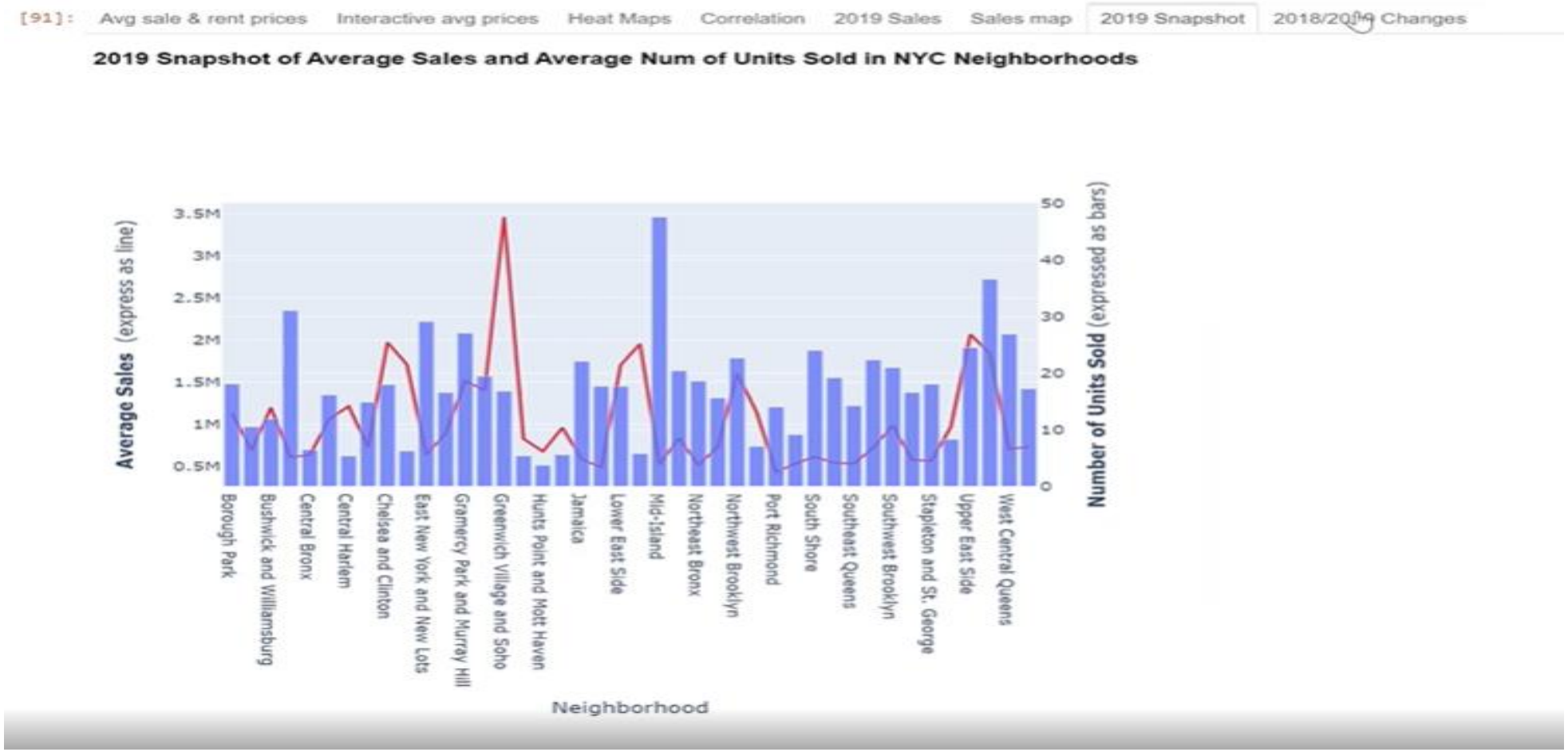
Avg Sale, Avg Rent & ROI per Zip Code

** In this project we didn't have to time to pull all the expenses so the ROI is just a demonstration of what we could do given more time.



Capitalization rate, also known as cap rate or ROI, refers to a property's net income as a percentage of its market value. For the purposes of this calculation, the purchase price of the property is often used as its market value, especially if it was acquired within the past few years.



Cap rate can be useful for a few reasons. For starters, it could be an apples-to-apples way to compare potential rental properties that may have different financing structures, since it doesn't take debt repayment into account. For example, if your lender wants a 15% down payment on a single-family property and a 25% down payment for a duplex, using the expected cap rate can help you determine which is the better deal relative to its rental income potential.

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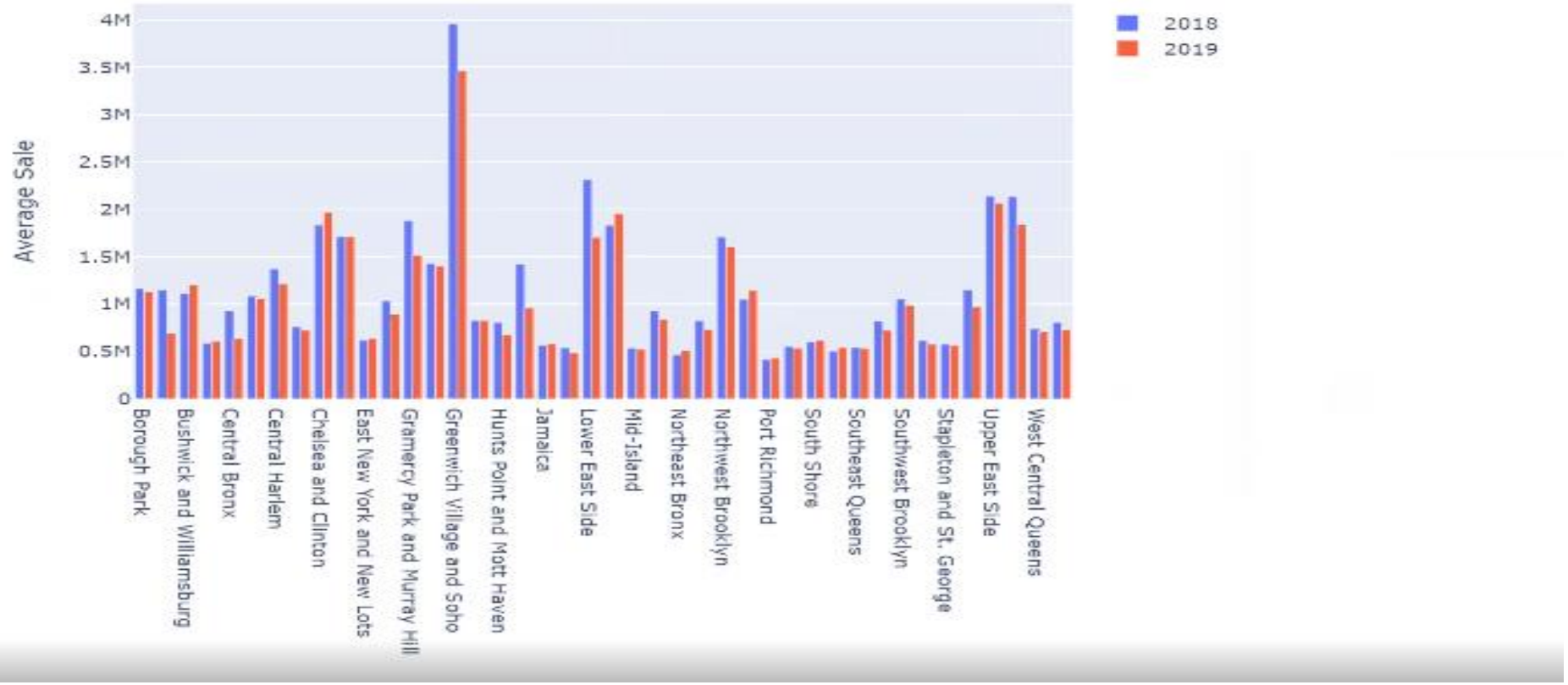
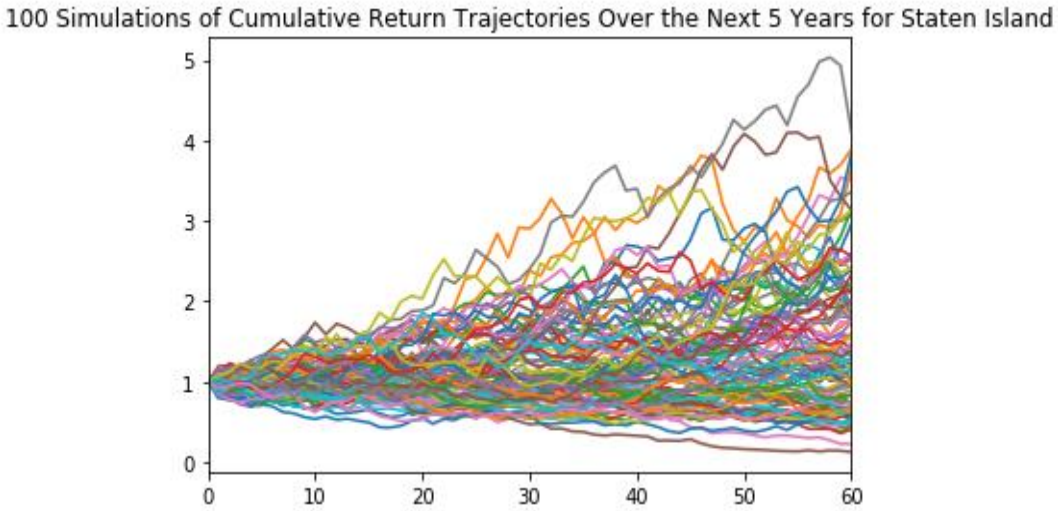
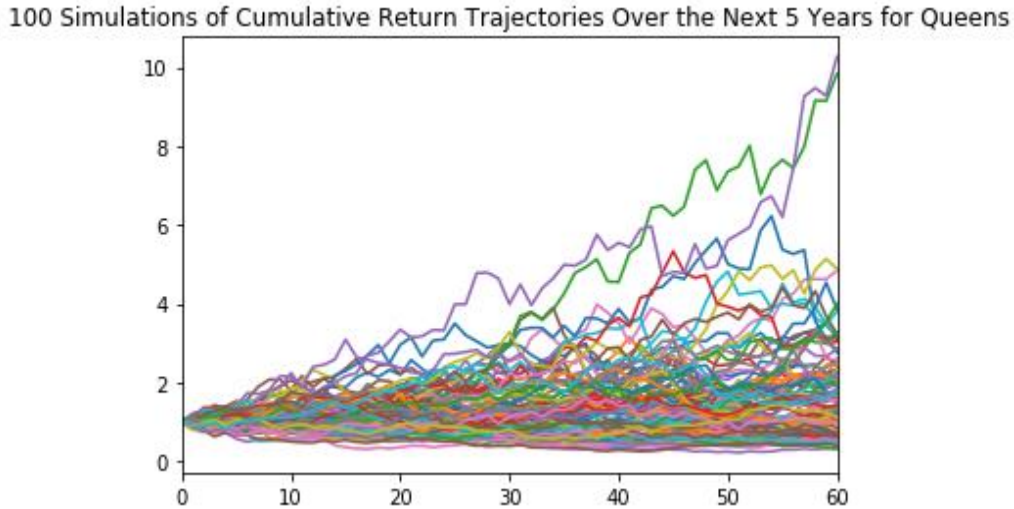
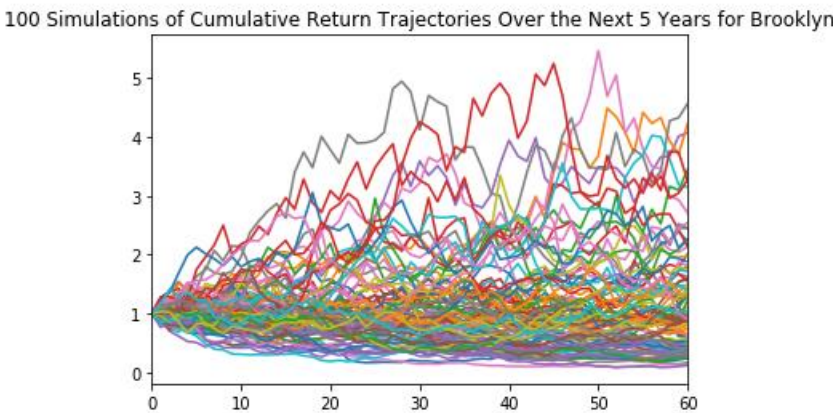
Shows the Housing Price change compared to the year before

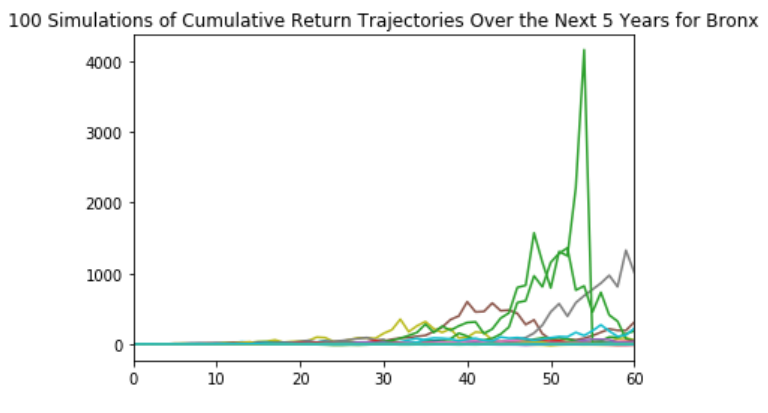


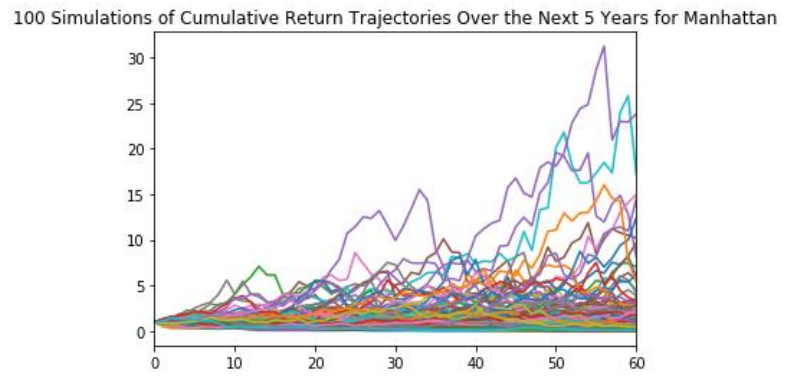
Monte Carlo – Sales Next 5yrs



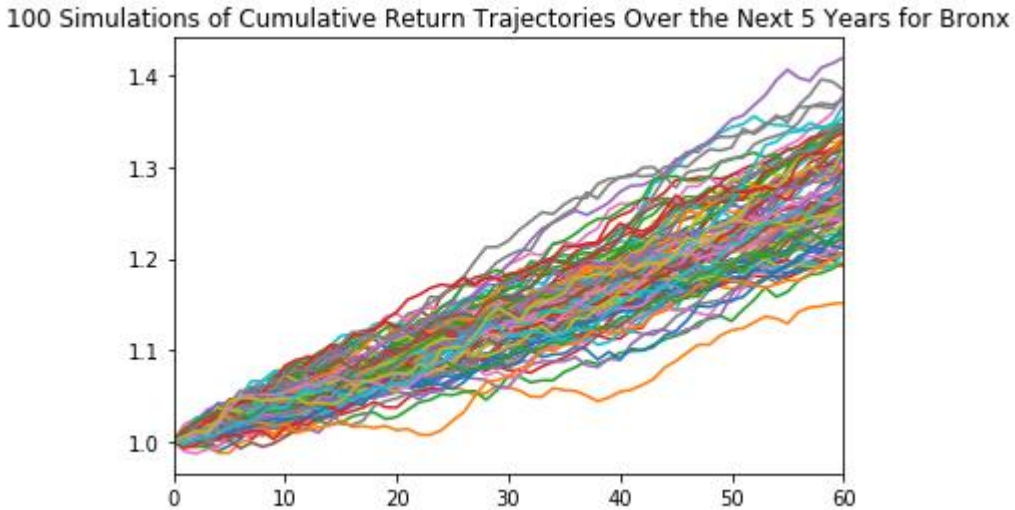


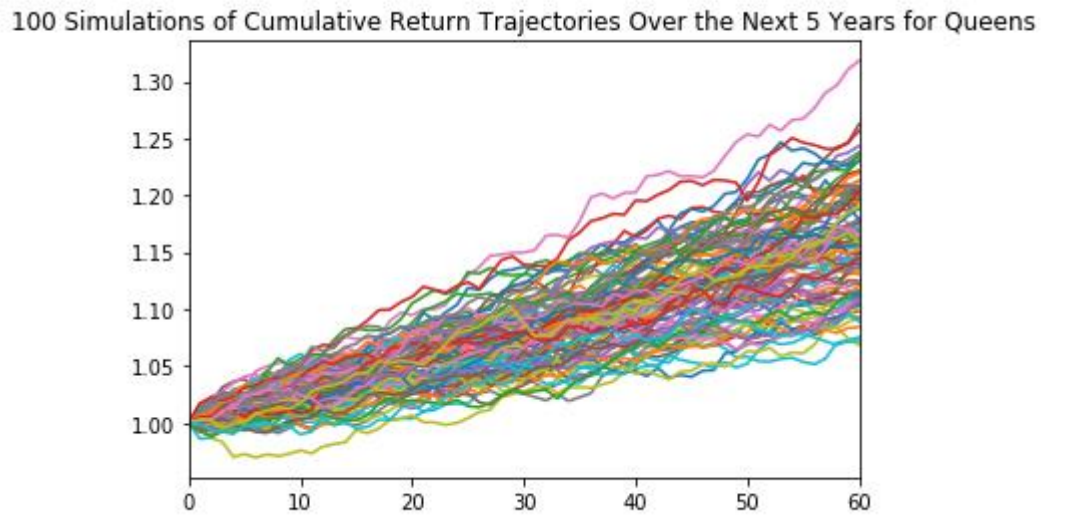


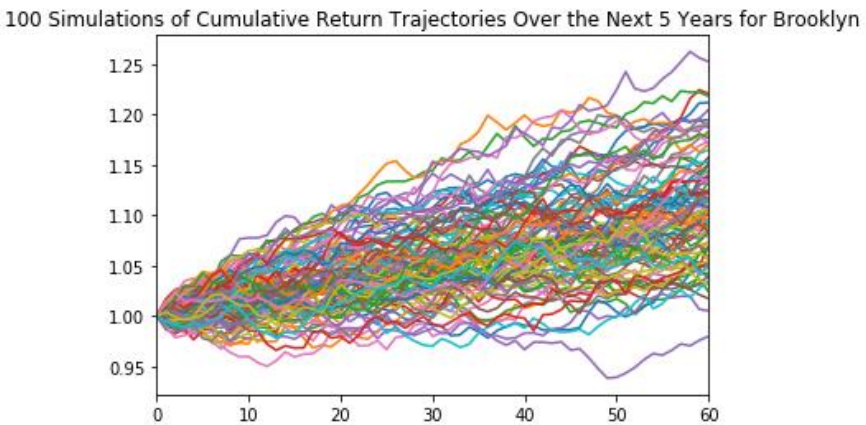


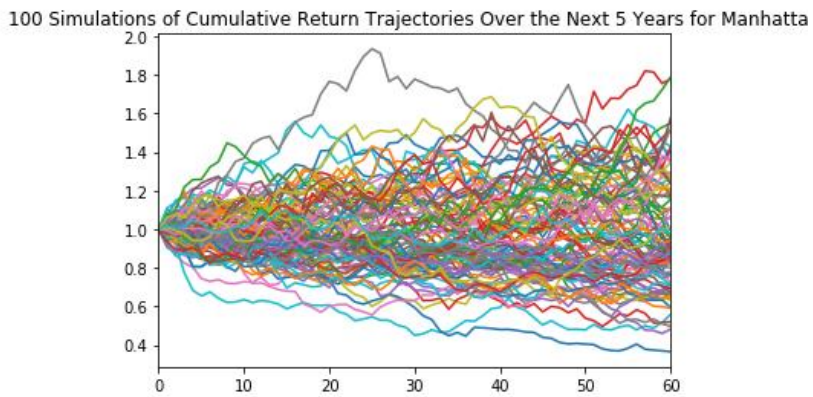


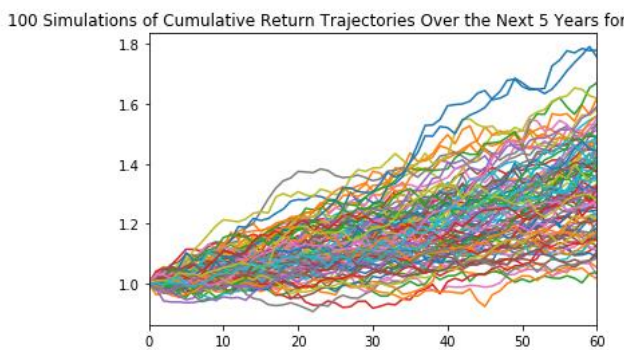
Monte Carlo – Rental Next 5yrs



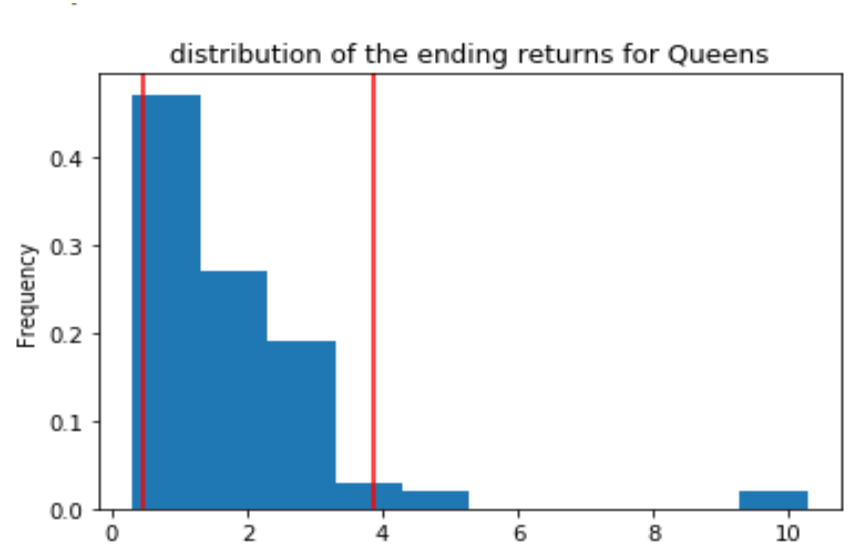


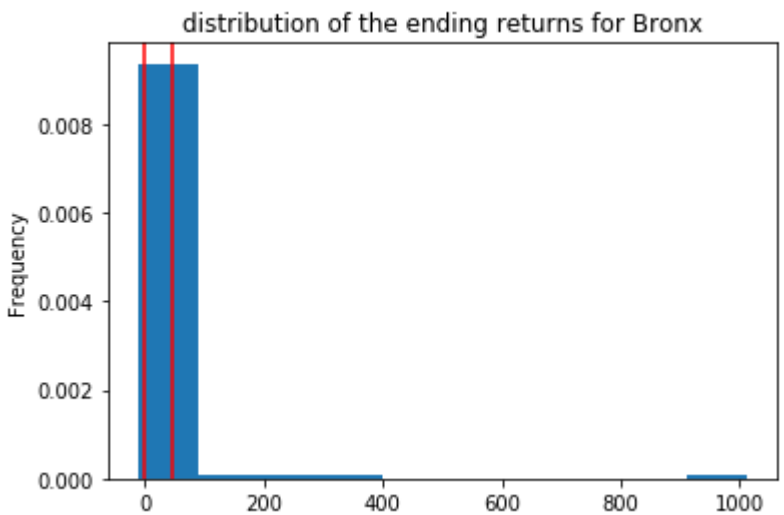


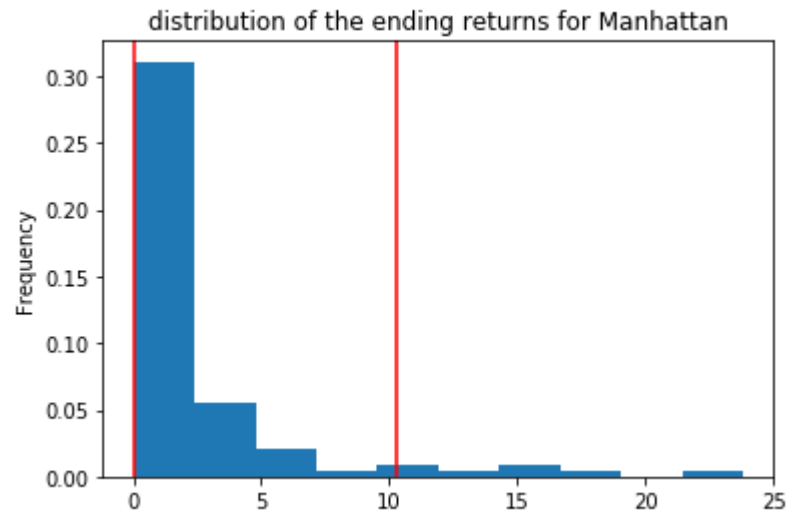




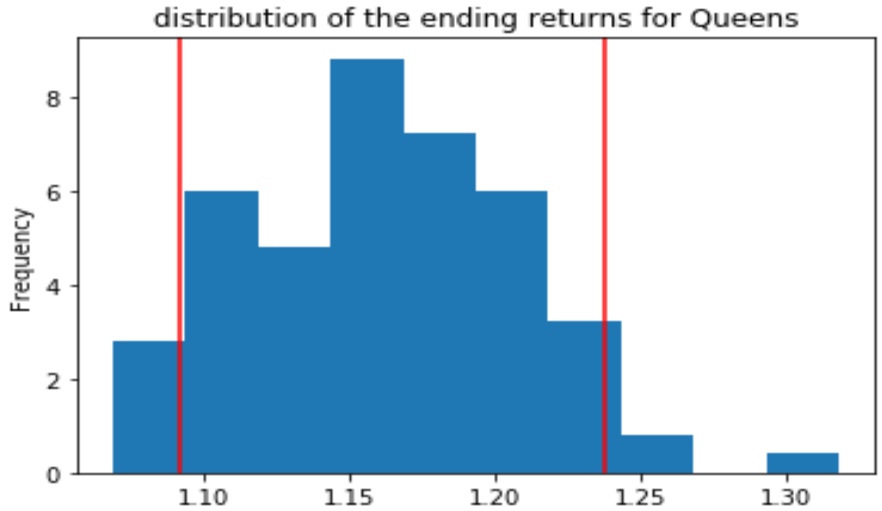
Confidence Interval for Sales

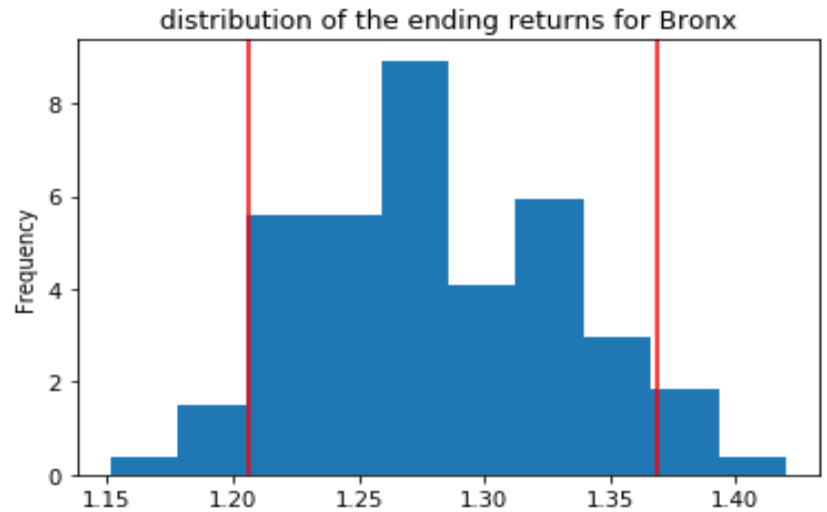


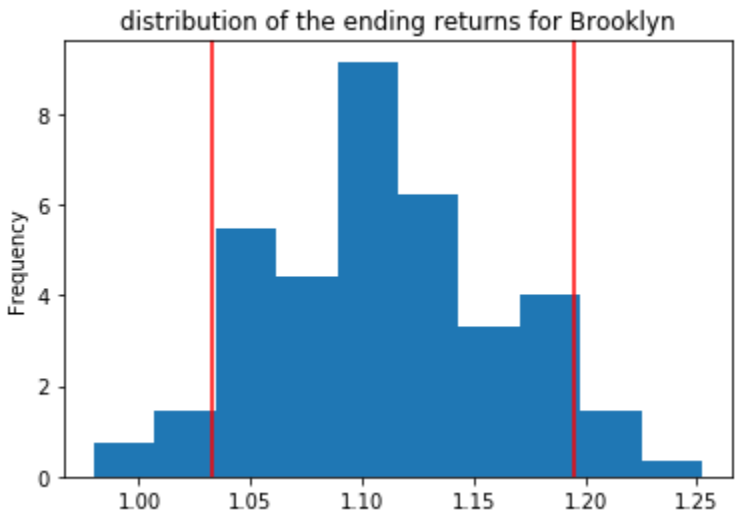


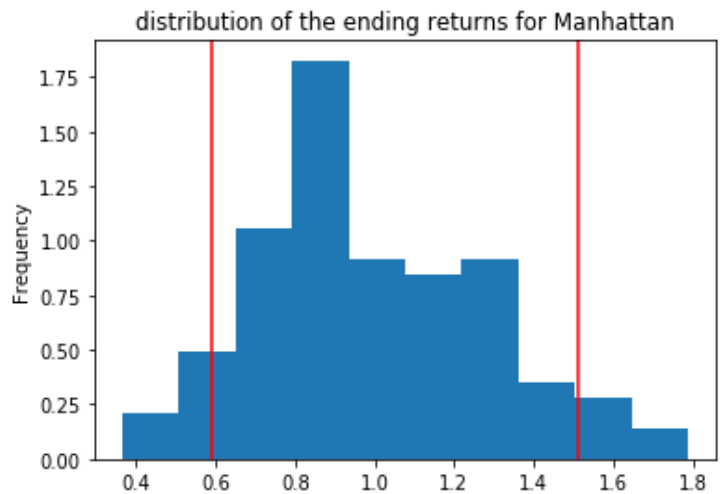


Confidence Interval for Rental









Q&A