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# Increasing Real Estate Management Profits: Harnessing Data Analytics

Watershed Property Management Data Analytics

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# Financial Data Analysis



## ♀ Forecasted Capital Expenditure: \$0.48 Millions

### Individual Profitable Properties (Total: 41)

ws_p..	state	city	apt_house	num_bedr..	Change in Profit ₹
W156	FL	Miami	house	2	\$124.60K
W155	FL	Miami	house	1	\$104.02K
W164	FL	Miami	house	2	\$78.37K
W163	FL	Miami	house	1	\$64.40K
W107	TX	Austin	house	1	\$54.98K
W120	TX	Austin	house	2	\$46.57K
W108	TX	Austin	house	2	\$44.52K
W67	CA	Palo Alto	house	2	\$40.18K
W190	CA	San Diego	apartment	2	\$39.02K
W152	FL	Miami	house	2	\$30.53K
W66	CA	Palo Alto	house	1	\$29.99K
W110	TX	Austin	apartment	2	\$27.09K

Total Cash Needed  
for conversion: **\$1.23M**

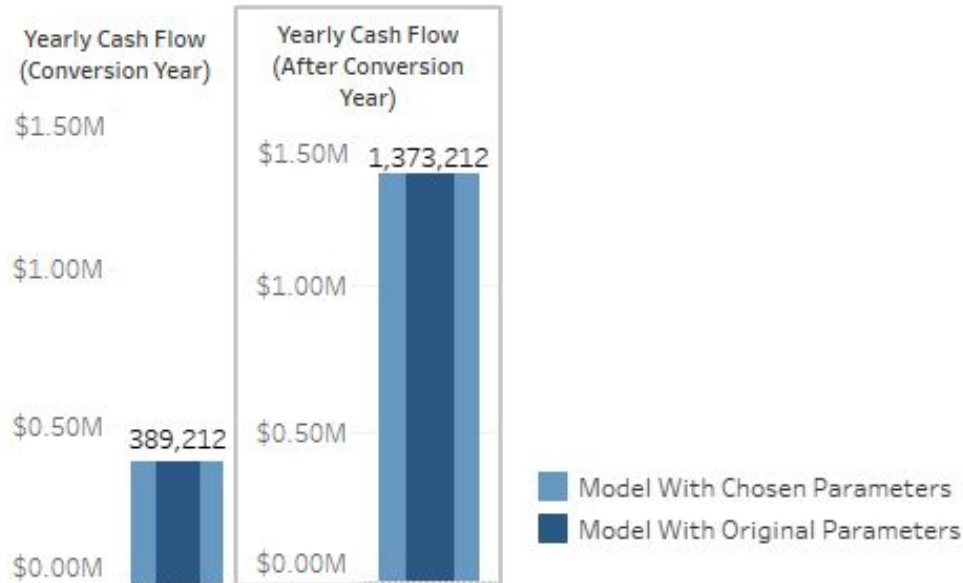
=30000\* number of rows(41)



## ♀ Cash flow:

Yearly cash flow (Conversion Year) : \$0.39 Millions

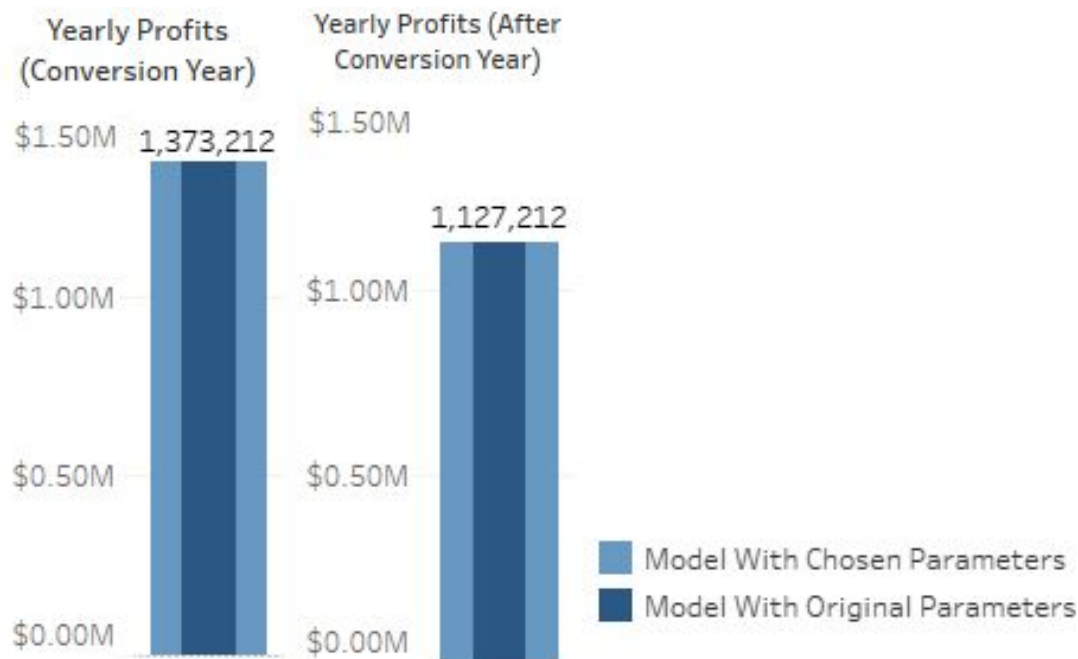
Yearly cash flow ( After Conversion Year) : \$1.37 Millions



## ♀ Profit:

Yearly profit (Conversion Year) : \$1.37 Millions

Yearly profit ( After Conversion Year) : \$1.13 Millions



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# Recommendations



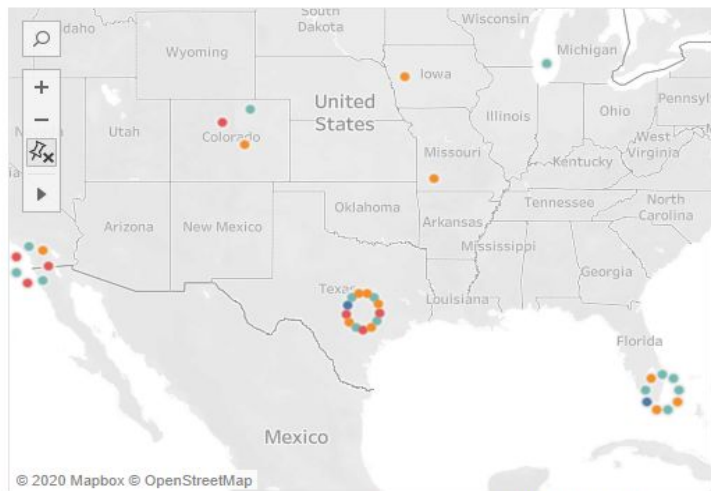
What :

Focus on Miami, Austin, New York and San Diego

Individual Profitable Properties (Total: 41)

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W152	FL	Miami	house	2	\$30.53K
W66	CA	Palo Alto	house	1	\$29.99K
W110	TX	Austin	apartment	2	\$27.09K
W160	FL	Miami	house	2	\$26.94K
W46	NY	New York	house	1	\$26.93K
W192	CA	San Diego	house	2	\$26.52K
W114	TX	Austin	apartment	2	\$24.73K
W112	TX	Austin	house	2	\$24.58K
W119	TX	Austin	house	1	\$24.56K
W111	TX	Austin	house	1	\$20.26K
W188	CA	San Diego	house	2	\$19.87K
W144	CO	Denver	house	2	\$18.86K
W116	TX	Austin	house	2	\$17.38K
W157	FL	Miami	apartment	1	\$17.19K
W115	TX	Austin	house	1	\$17.16K
W198	CA	San Diego	apartment	2	\$16.80K

Location of Profitable Properties



Total Cash Needed for  
conversion:

**\$1.23M**

Type & Bedrooms

- 1 apartment
- 1 house
- 2 apartment
- 2 house

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♀ When: 2 steps

1. Convert the 16 most profitable properties;
2. Convert the other 25 when the revenue generated by those first 16 cover the cost of conversion of the other 25.





# Rationale

## → Cash Flow

Make Better Plans and Decisions;

Protect Business Relationships;

Expand at the Right Time.

## → Experimental Unit

Assumption testing;

Control risks.



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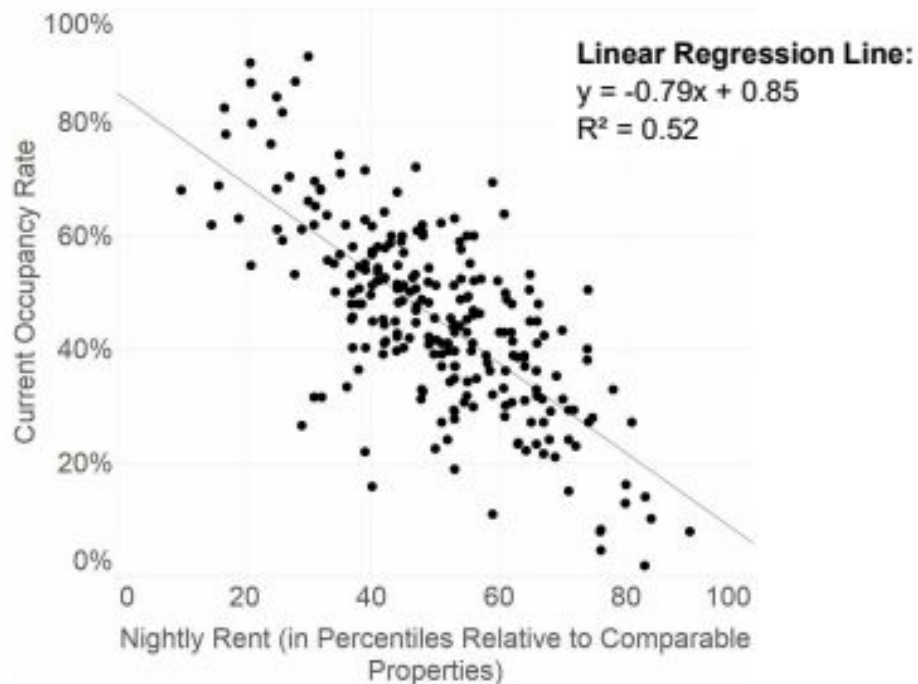
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# Sensitivity Analysis

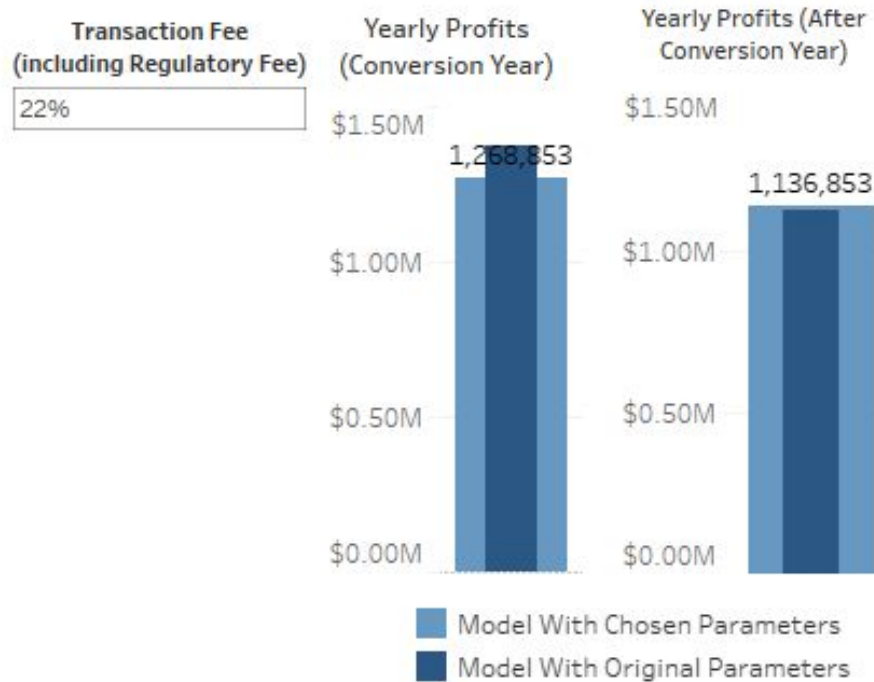


# ♀ Reliability of predictions and model

Using normalization



## ♀ Transaction fees affected profits the most



\$2.41M

The total profit is is \$ 2.41 Millions

Transaction Fee  
(including Regulatory Fee)

37%

Yearly Profits  
(Conversion Year)

Yearly Profits (After  
Conversion Year)

\$1.50M

\$1.50M

\$1.00M

\$1.00M

\$0.50M

\$0.50M

\$0.00M

\$0.00M

546,244

492,244

Model With Chosen Parameters  
Model With Original Parameters

\$1.04M

The total profit is is \$ 1.04 Millions

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# Thank you !

On to Watershed Analysis' Next Steps!

