Capstone 2: Project Proposal

TB Real Estate Corporation

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# Hypothesis

Which properties for sale in the Tampa, FL area would provide the best investment opportunities for TB Real Estate Corporation to purchase in the next 3 months that will maximize equity for a $10,000,000 investment?

## Context

TB Real Estate Corporation is a real estate investment firm in the Tampa Bay, Florida area. The real estate market in the Tampa Bay area is very active. Single family homes are selling quickly. TB Real Estate Corporation needs to be able to assess the value of homes coming onto the market quickly and accurately so that they can beat the competition in making a competitive offer. They need to be able to evaluate the listing price against the predicted sale price in order to identify properties that may be priced below market value and would make good investments. Their goal is to purchase properties at 80% of market price to acquire 20% equity. TB Real Estate Corporation has $10,000,000 that they would like to invest in the current quarter.

## Criteria for Success

Provide a recommendation of the best properties for sale in the Tampa Bay area based on listing price and predicted market value in order to maximize the return on an $10,000,000 investment.

## Scope of Solution Space

The investment will be focused on properties with the following criteria.

* Residential properties in Hillsborough County, FL
* Single family houses
* At least 3 bedrooms and 2 bathrooms
* Not in a senior (55+) living community
* Listing price between $100,000 and $500,000

## Constraints within Solution Space

The price analysis will not be able to consider the condition of the property. There may be additional costs for repairs that could not be identified until the property is properly inspected.

The price analysis will not identify whether there are any liens on the property that must be settled upon purchasing the real estate. A title search will need to be completed in order to identify any outstanding liens.

## Stakeholders to Provide Key Insight

* VP of Finance for TB Real Estate Corporation – Tom Duncan
* Lead Real Estate Broker – George Shea
* Property Appraiser – Bob Henriquez

## Key Data Sources

Tampa is in Hillsborough County, Florida. Historical data on property sales can be acquired from the Hillsborough County Property Appraiser’s website below.

<https://downloads.hcpafl.org/> (allsales\_*mm\_dd\_yyyy*.zip)

The property descriptions can also be found on the Hillsborough County Property Appraiser’s website below.

<https://downloads.hcpafl.org/> (parcel\_ *mm\_dd\_yyyy*.zip)

The current properties for sale in Hillsborough County, FL can be found on Zillow using the link below.

<https://www.zillow.com/homes/Hillsborough-County,-FL_rb/>