



Low-risk, high-payout real estate investments in Colorado

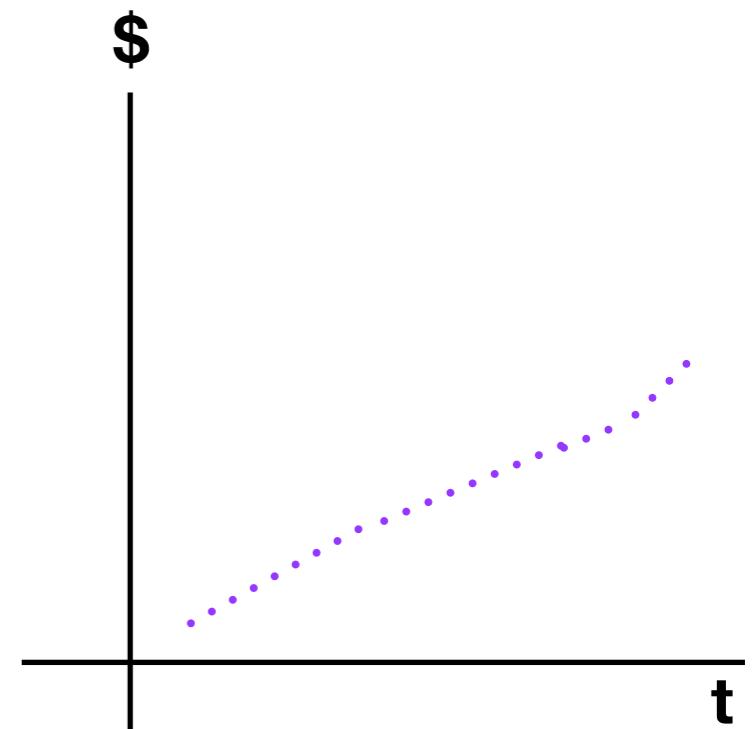
By Valentina Fontiveros

Introduction

Prismapi partners are seeking to invest in US real estate.

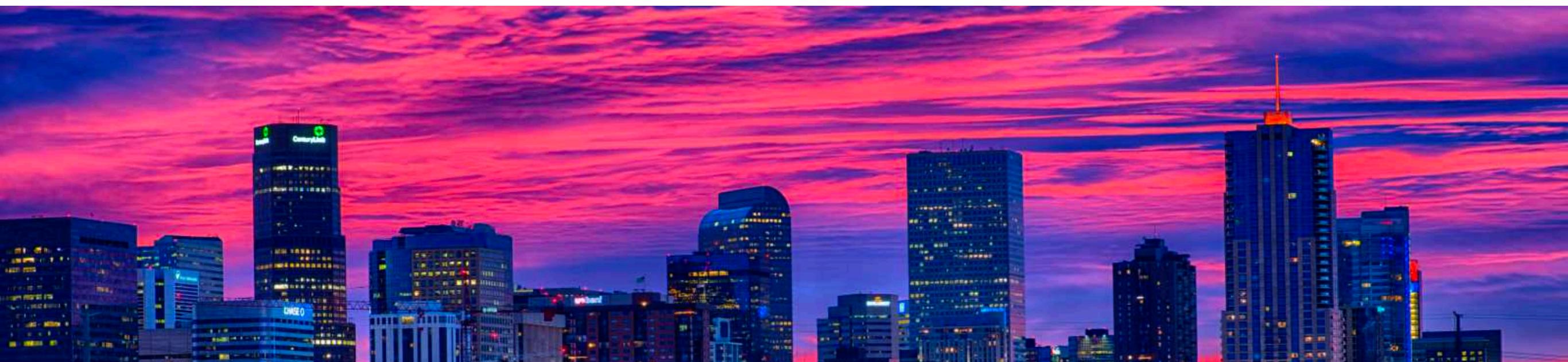
Requirements:

- Positive value trend over last 20 years
- Recent value growth acceleration
- Low volatility long term.



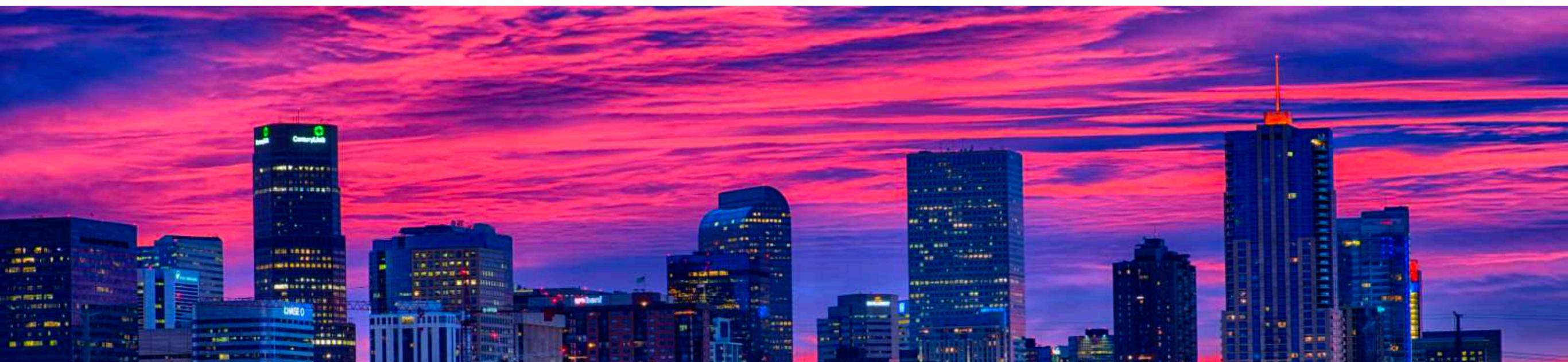
Business value

Study will identify opportunities
likely to **sustain value growth**
with limited risk.



Methodology

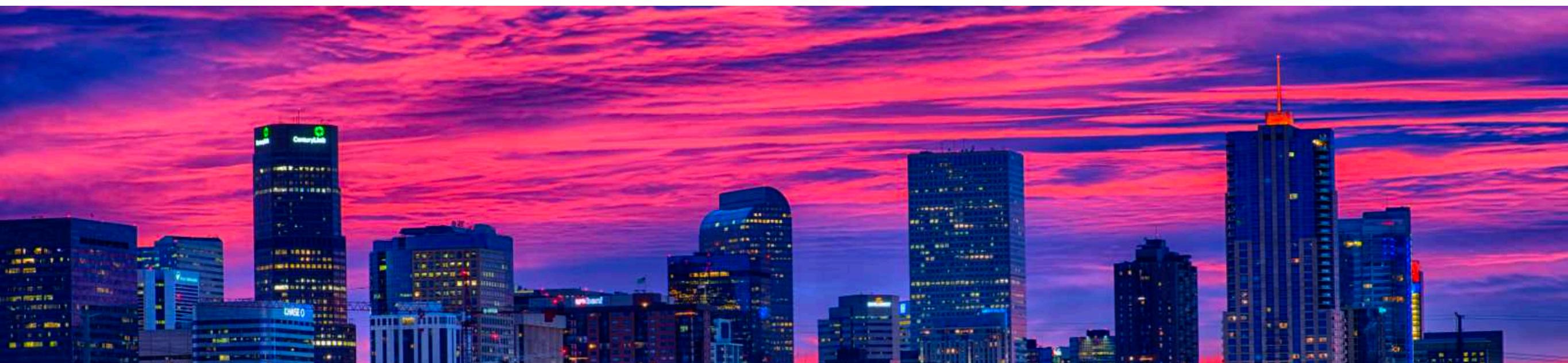
- Data source: Zillow home values (1994 - 2018)
- 3 stages of filtering using proprietary techniques.
- Create a time series model using ARIMA method.
- Forecast future values.



Results

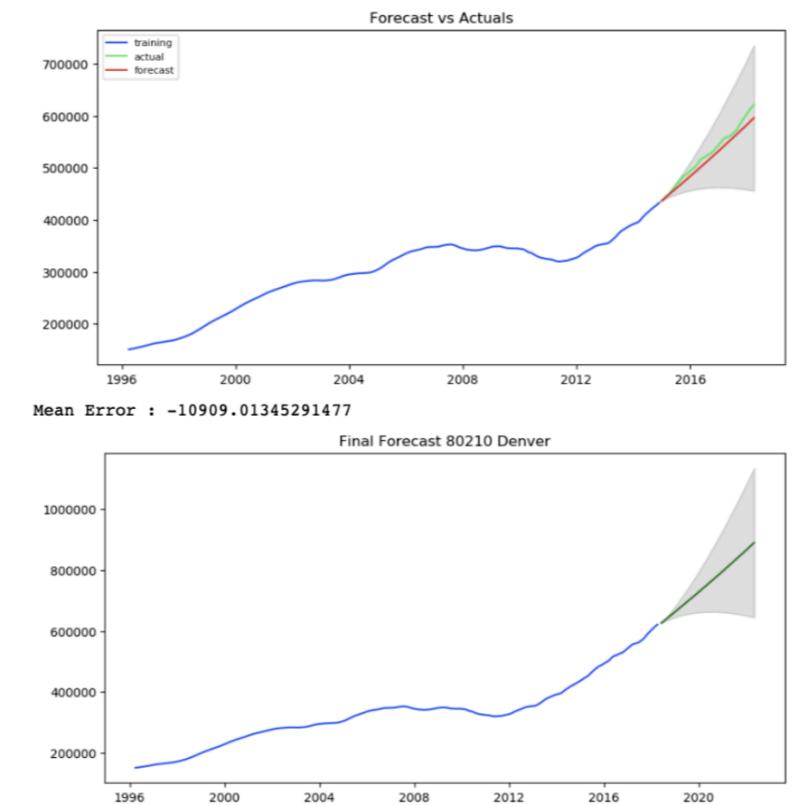
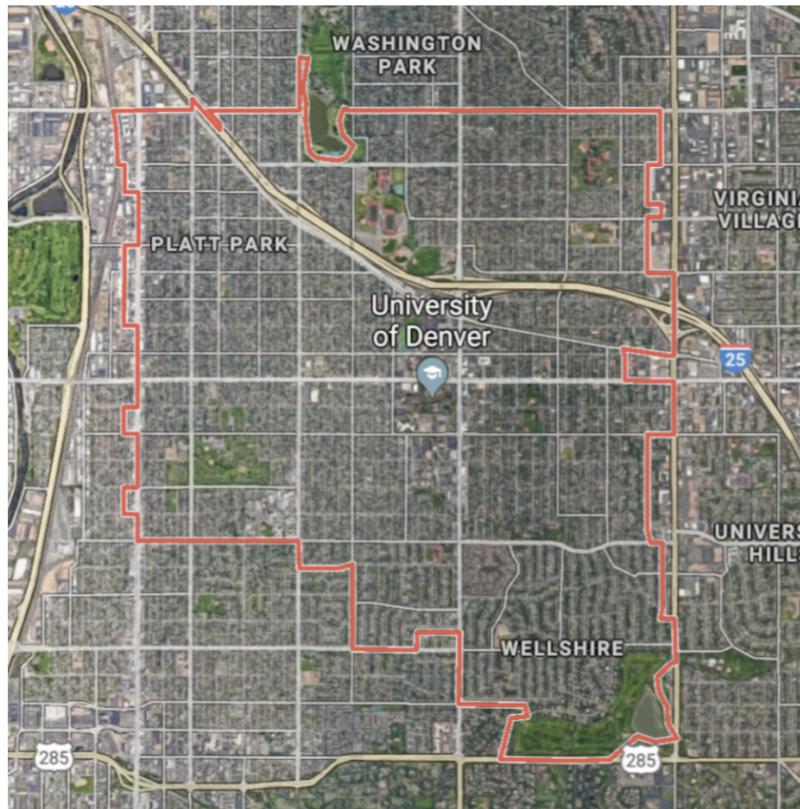
Using our filtering criteria, the top zip codes found are all in the state of Colorado.

Let's take a look at each of them.

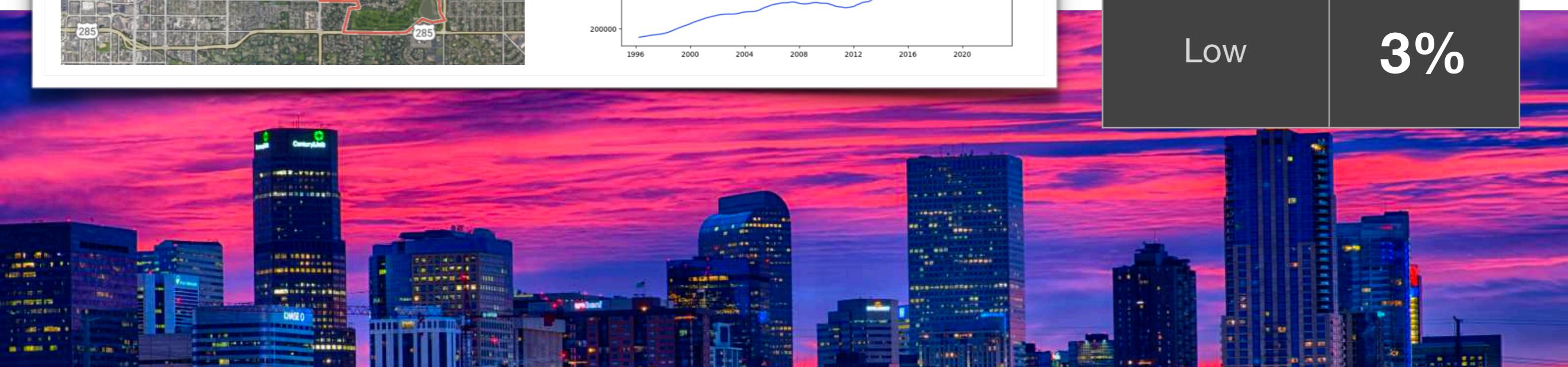


Denver - 80210

Excellent fidelity model. Forecast has high upside and base case.
Low return for conservative case.

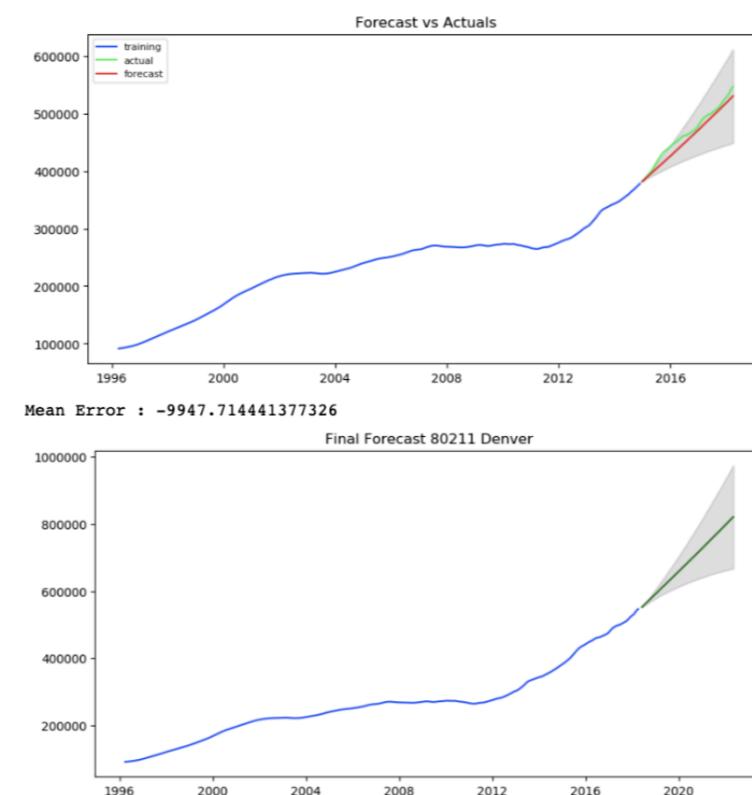
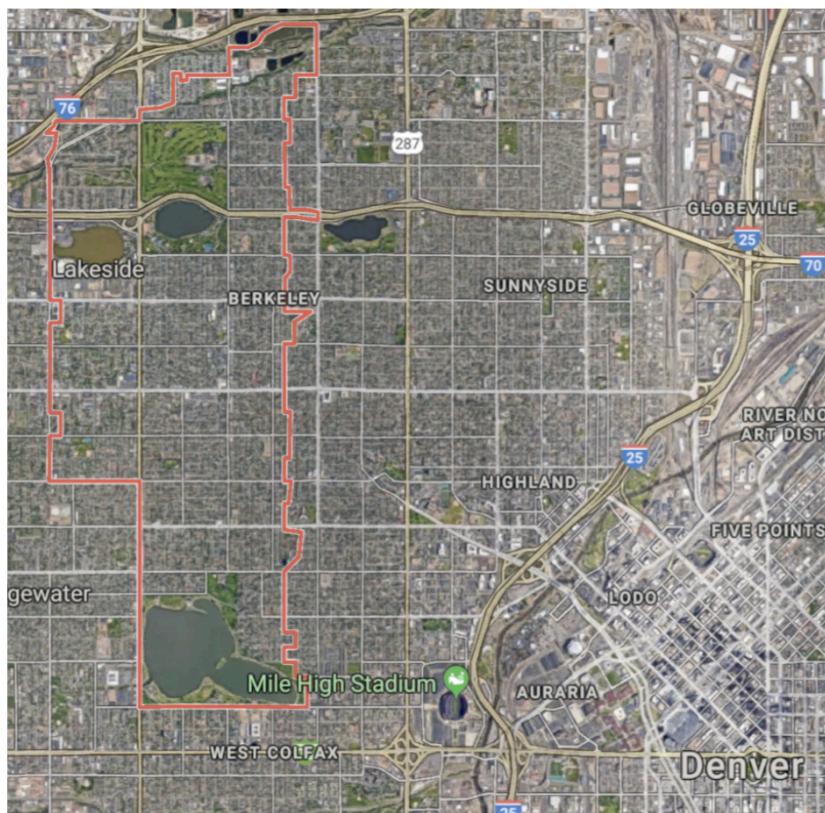


Case	2022 ROI
Upside	81%
Base	42%
Low	3%

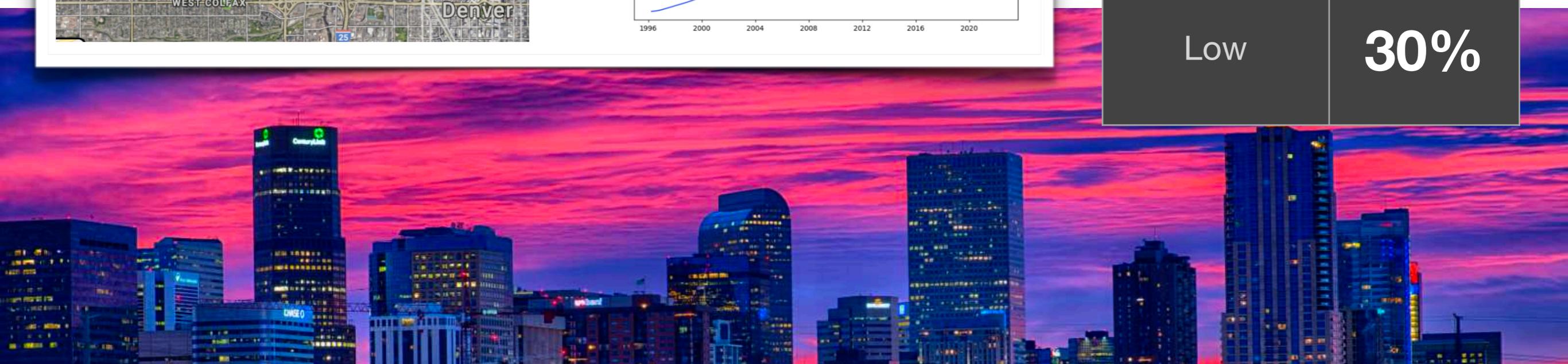


Denver - 80212

Excellent fidelity model. Forecast has high upside and base case.
Positive return for conservative case.

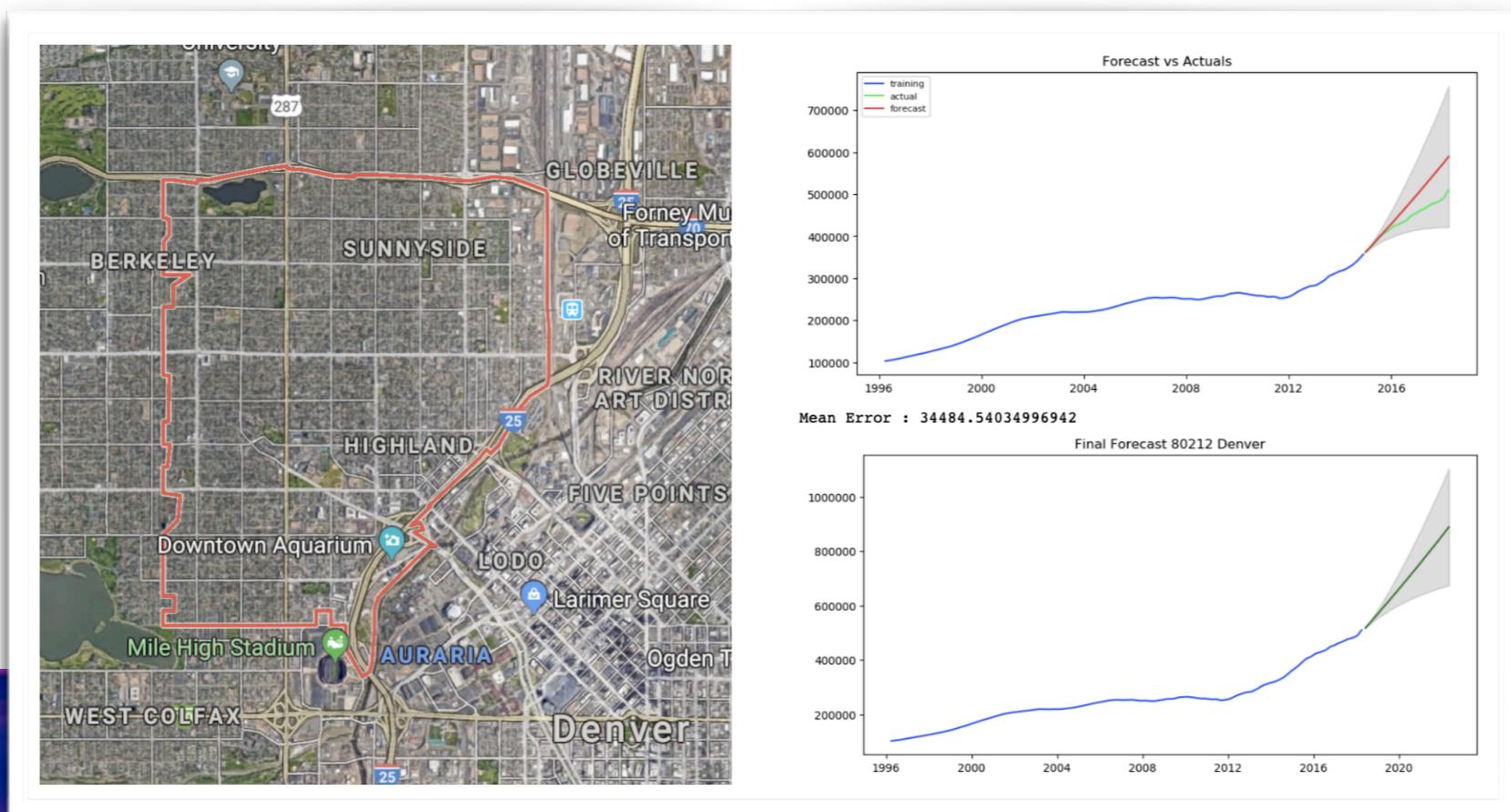


Case	2022 ROI
Upside	113%
Base	72%
Low	30%



Denver - 80211

Good fidelity model. Forecast has high upside and base case.
Good return also for conservative case.

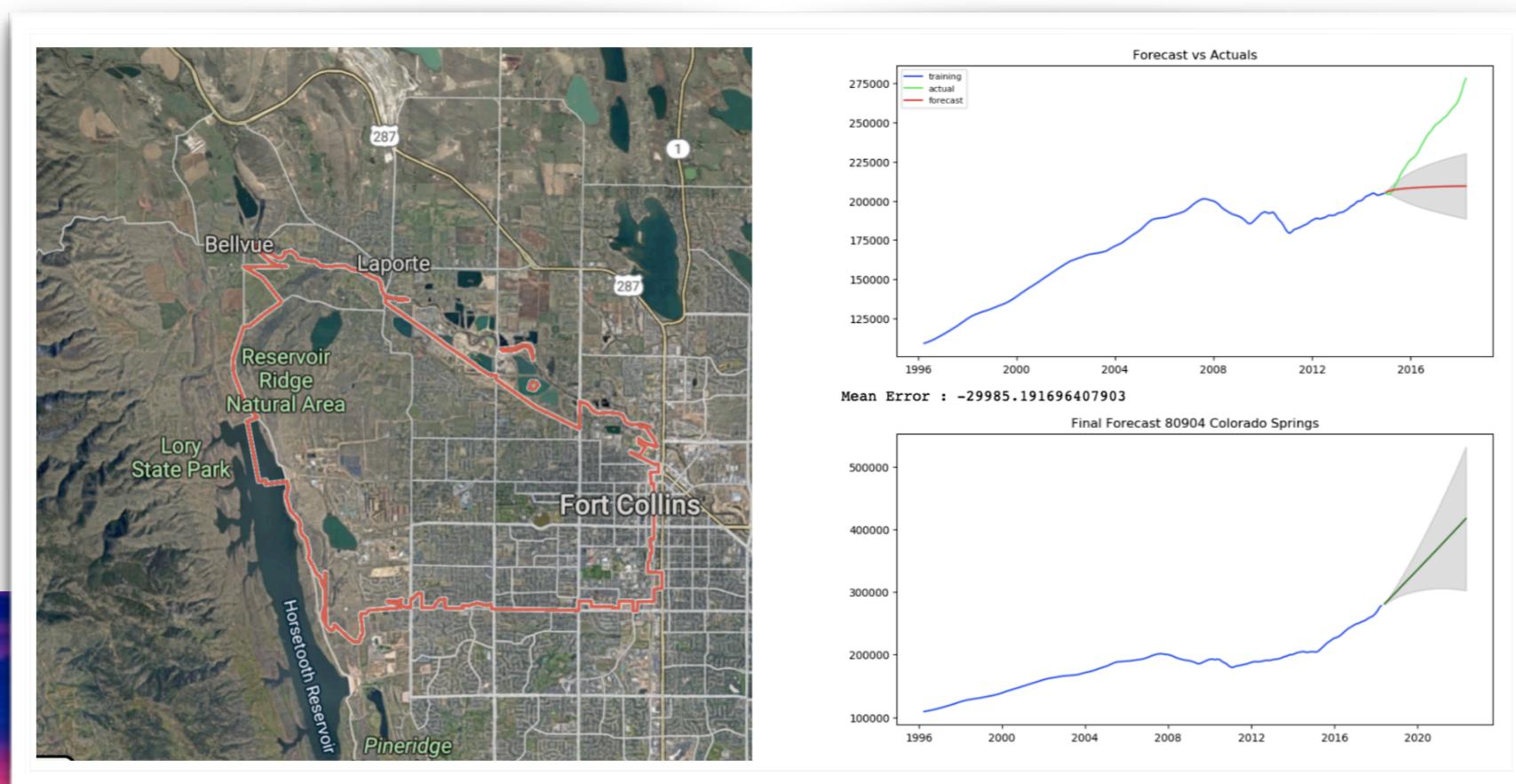


Case	2022 ROI
Upside	76%
Base	49%
Low	21%



Fort Collins - 80521

Market outperformed our historical forecast. Forecast has high upside and base case. Possible negative return for conservative case.

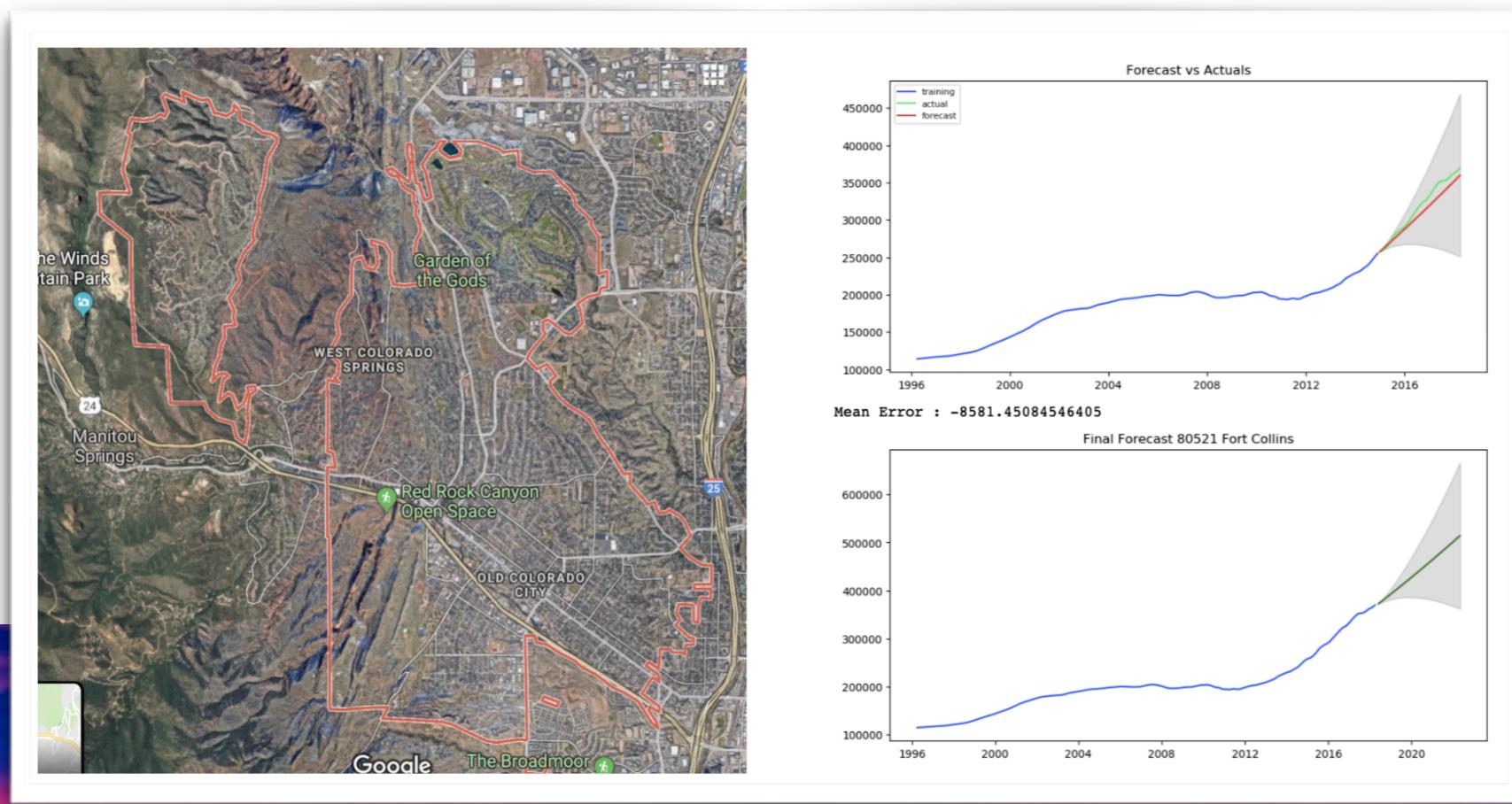


Case	2022 ROI
Upside	79%
Base	38%
Low	-3%



Colorado Springs - 80904

High fidelity model. Future forecast suggest potential for high growth in base and upside cases.



Case	2022 ROI
Upside	89%
Base	48%
Low	8%



Conclusions & Future Work

Zip codes identified have high growth potential and less risk over the short term.

Future work: add data for rest of 2018 and 2019, check models.

Case	PORTFOLIO ROI 2022
Upside	88%
Base	50%
Low	12%



Thank you!

Any questions?

