

# GROUP PROJECTS

## CASE 2: ASSESSING THE VALUE OF INFORMATION

### Affordable Homes Real Estate

In late 1995, a national study announced that Eau Claire, WI was the safest place to live. Since then, housing development projects have been springing up all around Eau Claire. Six housing development projects are currently dominating the Eau Claire market: Woodland Hills, Granite Mound, Creek Side Huntington, East River Community, Forest Green, and Eau Claire South. These six projects each started with 100 homes, have sold all of them, and are currently developing phase 2.

As one of the three partners and real estate agents of Affordable Homes Real Estate, it is your responsibility to analyze the information concerning the past 600 home sales and choose which development project to focus on for selling homes in phase 2. Because your real estate firm is so small, you and your partners have decided that the firm should focus on selling homes in only one of the development projects.

From the Wisconsin Real Estate Association you have obtained a spreadsheet file that contains information concerning each of the sales for the first 600 homes. It contains the following fields:

Column	Name	Description
A	LOT #	The number assigned to a specific home within each project
B	PROJECT #	A unique number assigned to each of the six housing development projects (see table to follow)
C	ASK PRICE	The initial posted asking price for the home
D	SELL PRICE	The actual price for which the home was sold
E	LIST DATE	The date the home was listed for sale
F	SALE DATE	The date on which the final contract closed and the home was sold
G	SQ. FT.	The total square-footage for the home
H	# BATH.	The number of bathrooms in the home
I	# BDRMS	The number of bedrooms in the home

The following numbers have been assigned to each of the housing development projects:

Project Number	Project Name
23	Woodland Hills
47	Granite Mound
61	Creek Side Huntington
78	East River Community
92	Forest Green
97	Eau Claire South

It is your responsibility to analyze the sales list and prepare a report that details which housing development project your real estate firm should focus on. Your analysis should cover as many angles as possible.

### Some Particulars You Should Know

1. You don't know how many other real estate firms will also be competing for sales in each of the housing development projects.
2. Phase 2 for each housing development project will develop homes similar in style, price, and square-footage to their respective first phases.
3. As you consider the information provided to you, think in terms of what information is important and what information is not important. Be prepared to justify how you approach your analysis.
4. Upon completing your analysis, please provide concise, yet detailed and thorough, documentation (in narrative, numeric, and graphic forms) that justifies your decision.
5. File: REALEST.xls (Excel file).