**Real Estate Pilot Event – KY DECA**

**Event Overview and Purpose**

As the gateway to numerous opportunities and challenges, real estate is a field that goes beyond the bricks and mortar, encompassing finance, entrepreneurship, and urban development. This competition aims to ignite your passion for the built environment, offering a unique platform for exploration, innovation, and collaboration.

Participants in this event will play the role of real estate agent/s and will prepare a written proposal for their client (judge) who is looking for a real estate property to purchase and flip. This is the client’s first venture into flipping properties and he or she is looking for a property that is a single-family dwelling with at least 3 bedrooms and at least 2 full baths. Participants will present three purchase options and will recommend the one purchase option they feel is best suited for their client (judge) based upon their local real estate market.

This event consists of the written document, the exam, and the oral presentation. The maximum score for the written entry and presentation evaluation is 100 points. The combined written entry and presentation score will be weighted twice (2 times) the value of the exam score. The test will consist of 50 multiple choice questions. The body of the written entry must be limited to 10 numbered pages, including the appendix (if an appendix is attached), by excluding the title page and the table of contents. The Written Event Statement of Assurances and Academic Integrity must be signed and submitted with the entry. Do not include it in the page numbering.

Each entry will be composed of one to three members of a DECA chapter. All participants must present the project to the judge. All participants present must respond to judge questions. The oral presentation may be a maximum of 15 minutes in length, including time for judge questions. The judge will evaluate the presentation focusing on the effectiveness of public speaking and presentation skills, how well the participants respond to questions that the judge may ask during the presentation.

Only members of local, state, and national DECA are eligible.

This is a state only event.

**Written Entry Guidelines**

The written entry must follow these specifications. Refer also to the Penalty Point Checklist and the Written Entry Evaluation Form.

**WRITTEN EVENT STATEMENT OF ASSURANCES AND ACADEMIC INTEGRITY**. This must be signed and submitted with the entry. Do not include it in the page numbering.

**TITLE PAGE** – The first page of the written entry is the title page. It must include in any order, but is not limited to, the following:

KY DECA REAL ESTATE PILOT EVENT

Name of high school

School address

City, State, Zip

Names of Participants

Date

Title page will not be numbered.

**TABLE OF CONTENTS** – The table of contents should follow the title page. The table of contents may be single-spaced and may be one or more pages long. The table of contents page(s) will not be numbered.

**BODY OF THE WRITTEN ENTRY** – The body of the written entry begins with Section 1, Executive Summary, and continues in the sequence outlined here. The first page of the body is numbered “1” and all following pages are numbered in sequence. Page numbers continue throughout the bibliography (required) and the appendix (optional).

This outline must be followed. Points for each section are included on the Written Entry Evaluation Form. Each section must be titled, including the bibliography and the appendix.

1. **Executive Summary**

* One-to-three page description of project

1. **Introduction**

* Description of the project

1. **Data Collection**

• Choose 3 local properties currently on the market that would meet your client’s required characteristics.

* Provide 3 comparable properties for each of the 3 local properties and explain the use of the comparable properties in the decision-making process.

1. **Analysis**

* Analyze the costs associated with purchasing, renovating, and reselling the properties. Using conventional financing with 5% down, provide for your client the proposed monthly payment for each property including principal, interest, and homeowners’ insurance.
* Determine the ROI for each property should it be purchased, renovated, and resold.

1. **Key Variables**

* Location - Assess the impact of neighborhood characteristics on property value and market demand.
* Property Condition - Examine the relationship between the initial condition of a property and its ability to be renovated to the extent that it will have a higher resale value.
* Market Trends - Analyze current local market trends and their influence on the success of house flipping

1. **Risk Assessment**

* Examine potential risks associated with house flipping, such as market downturns, unexpected renovation costs, and economic factors.

1. **Risk Mitigation Strategies**

* Propose strategies for mitigating identified risks and maximizing profitability.

1. **Recommendation**

* Provide a recommendation based on the research findings for optimizing the house flipping process for the property that would fulfill your client’s stated requirements for the property given in the Overview

1. **Bibliography**

* A bibliography is required. Include a list of the sources of information used in the written document.

1. **Appendix**

* An appendix is optional. If additional material is appended, all pages must be numbered as noted previously. Include in an appendix any exhibits appropriate to the written entry, but not important enough to include in the body. These might include sample questionnaires used, letters sent and received, general background data, etc.

**PENALTY POINT CHECKLIST** – In addition to the Written Entry Guidelines, participants must observe all of the standards on the Penalty Point Checklist. These standards are designed to make competition as fair as possible.

**PRESENTATION GUIDELINES**

• Prior to the presentation, a judge will evaluate the written portion of the entry. The major emphasis of the written entry is on the content. Drawings, illustrations and graphic presentations (where allowed) will be judged for clarity, not artistic value.

• The participants have assumed the roles of real estate agents.

• The participants will present the plan to the judge in a 15-minute presentation worth 40 points. (See Presentation Judging.)

• The presentation begins immediately after the introduction of the participants to the judge by the adult assistant. Each participant must take part in the presentation.

• Each participant may bring a copy of the written entry or note cards pertaining to the written entry to use as reference during the presentation.

• Only visual aids that can be easily hand carried to the presentation by the actual participant(s) will be permitted. The participants themselves must set up the visuals. Wheeled carts, moving straps or similar items may not be used to bring visuals into the area. Set up time is included in the total presentation time. Participants must furnish their own materials and equipment. No electrical power or internet connection will be supplied. Alternate power sources such as small generators are not allowed. Sound may be used, as long as the volume is kept at a conversational level.

• Materials appropriate to the situation may be handed to or left with judges in all competitive events. Items of monetary value may be handed to but may not be left with judges. Items such as flyers, brochures, pamphlets and business cards may be handed to or left with the judge. No food or drinks allowed.

• If any of these rules are violated, the adult assistant must be notified by the judge.

**PRESENTATION JUDGING** - Participants will make a 15-minute presentation to you. At the beginning of the presentation (after introductions), the participants will describe the project. Allow the participants to complete this portion without interruption, unless you are asked to respond. Each participant must take part in the presentation. If time remains, you may ask questions that seem appropriate, based on your notes or on the written entry (if provided). At the conclusion of the presentation, thank the participants. Then complete the Presentation Evaluation Form, making sure to record a score for all categories. The maximum score for the presentation is 40 points.

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Real Estate Pilot Event

WRITTEN ENTRY EVALUATION FORM

Please refer to the **Written Entry Guidelines** for a more detailed explanation of these items.

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| --- | --- | --- | --- | --- | --- |
| EXECUTIVE SUMMARY | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 1. One- to three-page description of the project | 0 | 1 | 2 | 3 |  |

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| --- | --- | --- | --- | --- | --- |
| INTRODUCTION | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 2. Description of the project | 0-1 | 2-3 | 4 | 5 |  |

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| --- | --- | --- | --- | --- | --- |
| DATA COLLECTION | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 3. Choose 3 local properties currently on the market that would meet your client’s required characteristics | 0-1 | 2-3 | 4-5 | 6-7 |  |
| 4. Provide 3 comparable properties for each of the 3 local properties and explain the use of the comparable properties in the decision-making process | 0-1 | 2-3 | 4-5 | 6-7 |  |

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| ANALYSIS | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 5. Analyze the costs associated with purchasing, renovating, and reselling the properties. Using conventional financing with 5% down, provide for your client the proposed monthly payment for each property including principal, interest, and homeowners’ insurance. | 0-1-2 | 3 | 4 | 5 |  |
| 6. Determine the ROI for each property should it be purchased, renovated, and resold | 0-1-2 | 3 | 4 | 5 |  |

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| KEY VARIABLES | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 7. Location - Assess the impact of neighborhood characteristics on property value and market demand. | 0-1 | 2 | 3 | 4 |  |
| 8. Property Condition - Examine the relationship between the initial condition of a property and its ability to be renovated to the extent that it will have a higher resale value | 0-1 | 2 | 3 | 4 |  |
| 9. Market Trends - Analyze current local market trends and their influence on the success of house flipping | 0-1 | 2 | 3 | 4 |  |

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| RISK ASSESSMENT | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 10 Examine potential risks associated with house flipping, such as market downturns, unexpected renovation costs, and economic factors | 0 | 1 | 2 | 3 |  |

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| RISK MITIGATION STRATEGIES | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 11 Propose strategies for mitigating identified risks and maximizing profitability | 0 | 1 | 2 | 3 |  |

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| RECOMMENDATION | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 12 Provide a recommendation based on the research findings for optimizing the house flipping process for the property that would fulfill your client’s needs | 0-1 | 2-3 | 4-5 | 6-7 |  |

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| APPEARANCE AND WORD USAGE | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 13. Professional layout, neatness, proper grammar, spelling and word usage | 0 | 1 | 2 | 3 |  |

WRITTEN ENTRY TOTAL POINTS (60)

PROJECT MANAGEMENT EVENTS

PRESENTATION EVALUATION FORM

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| --- | --- | --- | --- | --- | --- |
| PRESENTATION | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 1. Opening presentation; description of the project; organization, clarity, and effectiveness of the presentation | 0-1 | 2-3 | 4 | 5 |  |

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| TO WHAT EXTENT DID THE PARTICIPANTS: | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 2. Explain the 3 chosen properties and the 3 comparable properties for each chosen property? | 0-1 | 2-3 | 4 | 5 |  |
| 3. Explain the determination of ROI based upon cost factors, current market pricing, and key variables? | 0-1-2-3 | 4-5-6 | 7-8 | 9-10 |  |
| 4. Explain the associated risks and mitigation strategies? | 0-1 | 2-3 | 4 | 5 |  |
| 5. Provide a recommendation based upon sound real estate principles? | 0-1-2-3 | 4-5-6 | 7-8 | 9-10 |  |

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| GENERAL | LITTLE/ NO VALUE | BELOW EXPECTATIONS | MEETS EXPECTATIONS | EXCEEDS EXPECTATIONS | JUDGED SCORE |
| 6. Professional standards, effective use of visuals, appearance, poise, confidence, participation of all | 0-1 | 2-3 | 4 | 5 |  |

PRESENTATION TOTAL POINTS (40)

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| WRITTEN ENTRY (60) |  |
| PRESENTATION (40) |  |
| SUBTOTAL (100) |  |
| LESS PENALTY POINTS |  |

TOTAL SCORE