



Student Competition

2021 NAHB International Builders' Show

Problem Description for 4-Year Programs

The subject property is a 300+/- acre site located in Concord, North Carolina. It is part of a larger tract which has been considered by other developers in the past, one of which prepared the Preliminary Subsurface Exploration provided. The site is located on Zion Church Road, between Archibald Road and Flowes Store Road. The southern boundary of the site is the Rocky River, along which sanitary sewer is available. Water is available in the adjacent The Mills at Rocky River and will require an easement that is anticipated to cost \$50,000. The site is currently zoned for low-density residential.

The property is being offered for sale for \$3 million with a closing date of 1 March 2021. Your team needs to obtain the necessary approval from the senior executives of your firm to purchase and develop the property. Your firm is a regional home builder that can obtain bank financing for the project. Loan terms are given in a separate document. The senior executives expect the project's potential profit to be reported as an Internal Rate of Return (IRR).

Your team must prepare a proposal to develop the Zion Church Road property, including but not limited to market analysis; product design and selection, site design; cost estimate and schedule; site management and logistics; sales and marketing strategy; financial analysis; risk analysis; and sustainability. The senior executives are busy people whose time cannot be wasted reading extraneous, self-evident information. Your written proposal must be a concise document that includes a well-written executive summary, relevant financials, and is free from grammar and spelling errors.

At the competition, your team will present a summary of its findings to the senior executives of your firm, who will have thoroughly reviewed your written proposal prior to your presentation. Be prepared to discuss and defend your decisions and the calculations contained in your proposal. If your team recommends acquisition, you will need to convince the executives that you have a viable project that will meet the firm's financial and organizational goals.

Due to COVID-19 travel restrictions, NO teams are allowed to make site visits this year. No one from your school may contact any of the trade/professional partners, any municipality or other governing agency that is affiliated with the project. You may use only information that is publicly available on the internet or in print.