

Accounting for Real Estate Assignment

Part of being an accountant means telling your clients what they can afford. Amar and Nadia are getting married and are looking to purchase their first home. Their combined salary is \$150 000. They've saved up \$75 000 for a down payment. They come to you to provide a budget of what they can afford. As an accountant, you will create a business proposal of 2 properties and include financial statement(s), showing them all the costs associated with purchasing and maintaining those properties. You will need to research various costs including all costs associated with purchasing and maintaining a home. Be **strategic** in your proposal.

You will use www.zoocasa.com and/or www.realtor.ca to access listings. (*In order to see sold listings on zoocasa, you have to create an account)

Things to consider in your budget proposal:

- Price of Property (All costs associated with purchasing a home – you need to research)
- Costs to maintain property
- Any advantages (comparing areas and properties)
- Client Profile – here is where you want to be strategic

Amar

- Works as a computer programmer with main office in Toronto but can work from home
- Owns a car with no debt worth \$10 000
- Owns a cell phone (\$60/month)
- Enjoys watching sports and movies on tv
- Car enthusiast

Nadia

- Owner's her own business in Whitby
- Owns a car with no debt worth \$10 000
- Owns a cell phone (\$60/month)
- Enjoys going to concerts/shows
- Vacations are a must

Assessment

There are no instructions on how to format or present this information. This is up to the accountant. However, these clients don't want to be presented with information that will take a long time to go over. It needs to be precise, informative and well laid out. You will record your presentation with a maximum time limit of 5-6 minutes. Be precise in your presentation. You will lose marks if you go over 6 minutes.

Due: TBD

Submit your video Presentation and presentation materials (ex. PowerPoint slides, etc.)