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Best of the 'Burgh

Forecasting House Sales in Pittsburgh, PA

Goal:

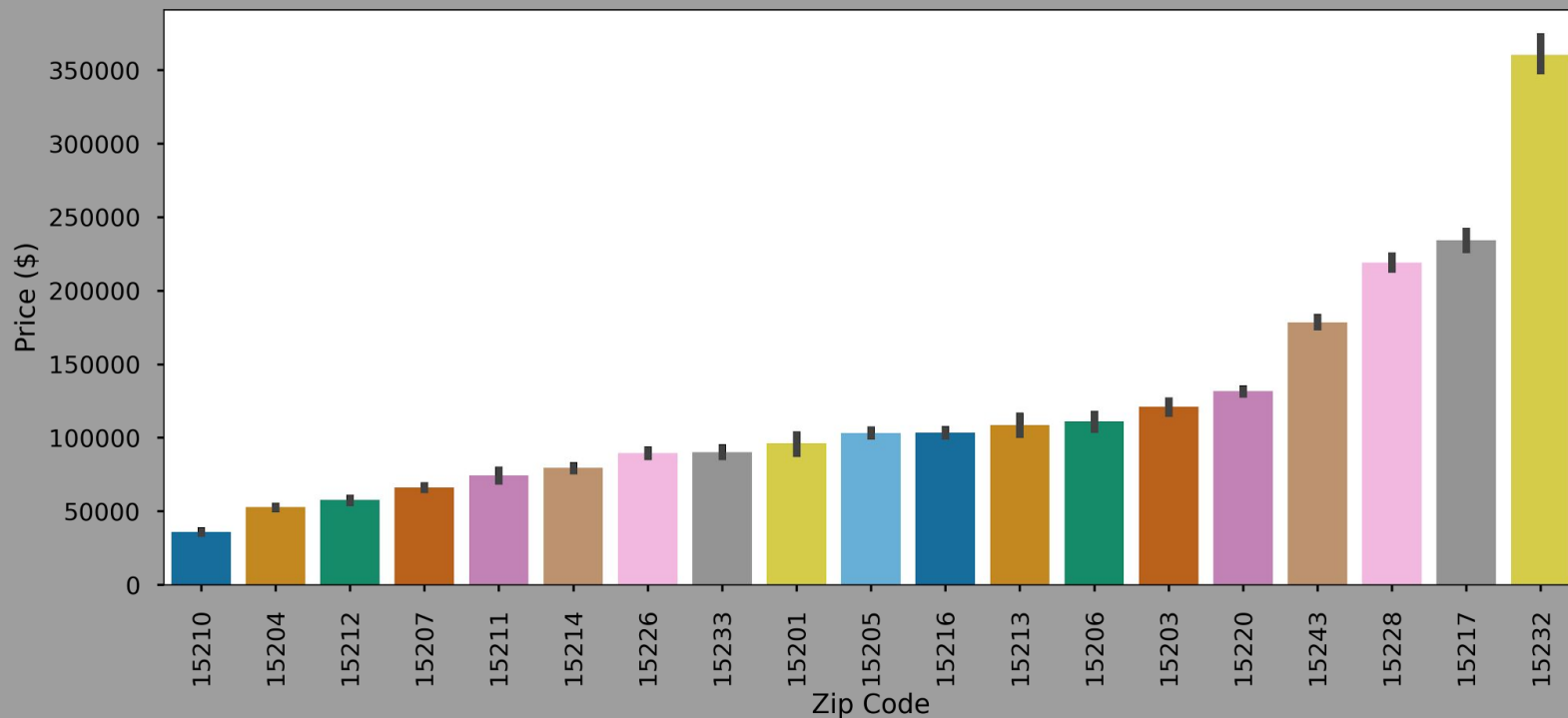
To identify zip codes in Pittsburgh, PA with the highest ROI and lowest risk based on house sale prices.

Data Details

- Zillow house sale prices from 2008 to 2018
 - 19 zip codes across Pittsburgh, PA
 - Forecasted pricing for 16 months
-

Average Sale Prices

Average Sale Prices per Zip Code



Recommendations: ROI and Risk

ROI (%) - maximize profit

- What is the profit at the end of the forecast period if you purchase at the start?

Risk (%) - minimize risk

- What is the lowest potential forecasted ROI per zip code?

Pros/Cons

- Pro: ROI/profit can be high (50%+)
- Cons: riskier; greater chance to lose money

Pros/Cons

- Pro: less chance of losing money
- Cons: Lower ROI/profit

Understanding the Market

Top Forecasted Zip Codes

Top 3 Overall

Highest ROI, Lowest Risk

1. 15206: 43%, 17%
2. 15201: 39%, 17%
3. 15212: 29%, 4.13%

Other Top ROI

4th- and 5th-Highest ROI:

4. 15233: 27%, - 20%
5. 15207: 20%, - 19%

Other Lowest Risk

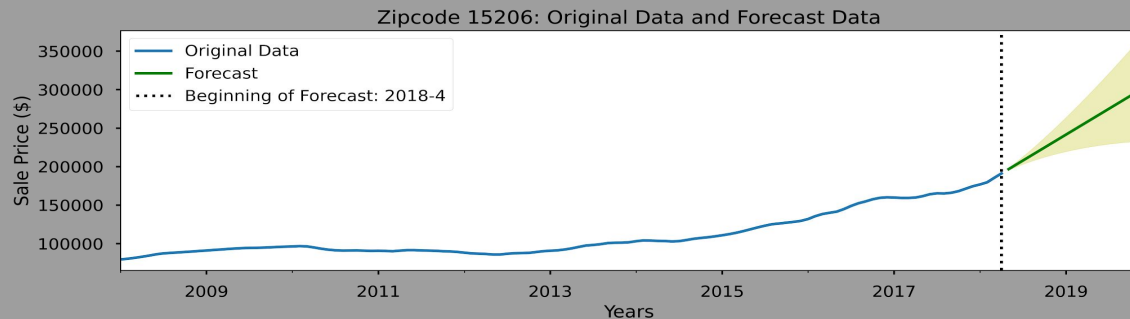
4th- and 5th-Lowest Risk:

4. 15220: 13%, .6%
5. 15226: 3%, - 2%

Best of Both

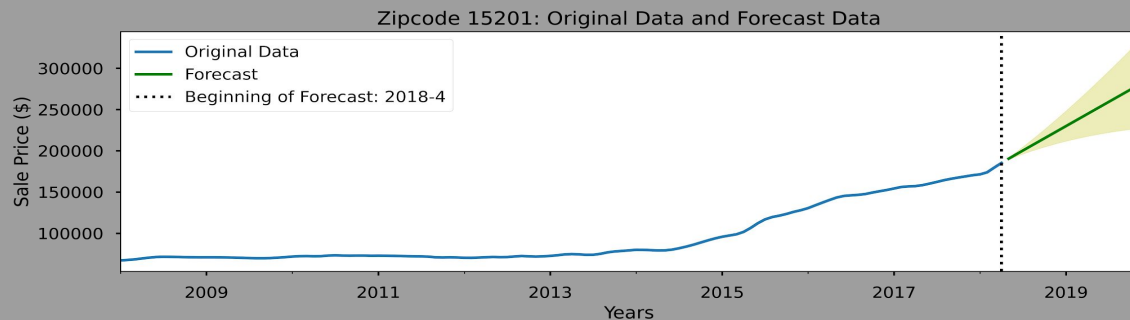
15206 - East Liberty

43% ROI, 17% Risk



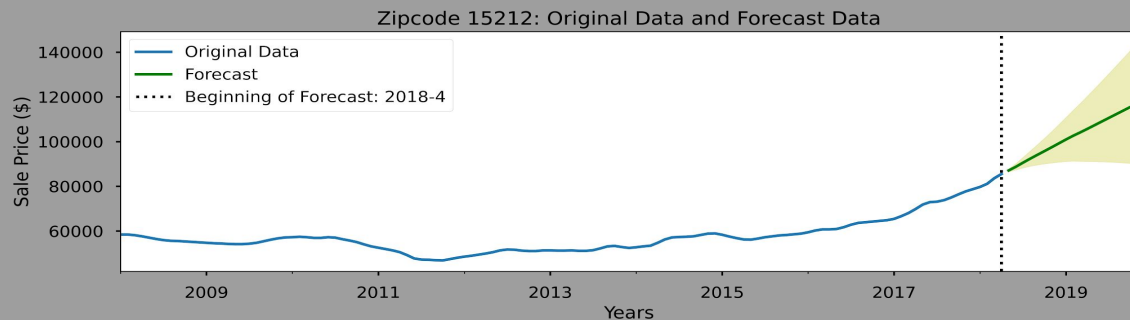
15201 - Lawrenceville

39% ROI, 17% Risk



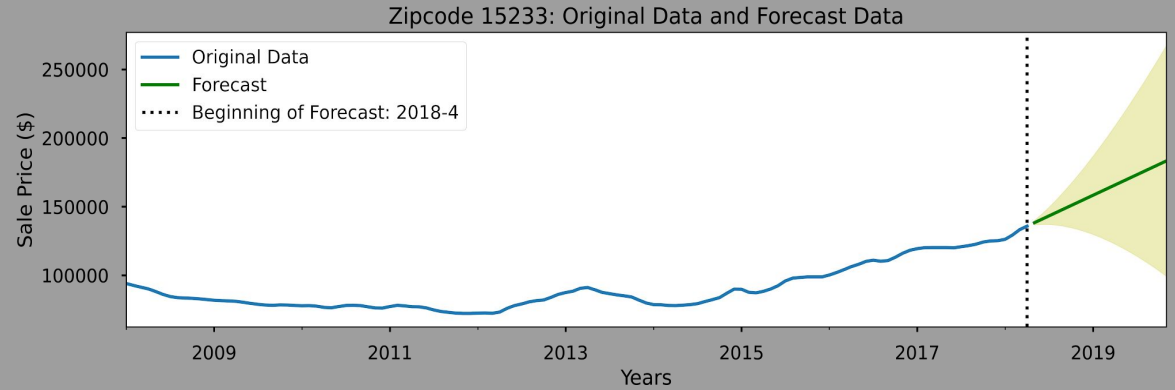
15212 - North Shore

29% ROI, 4.13% Risk

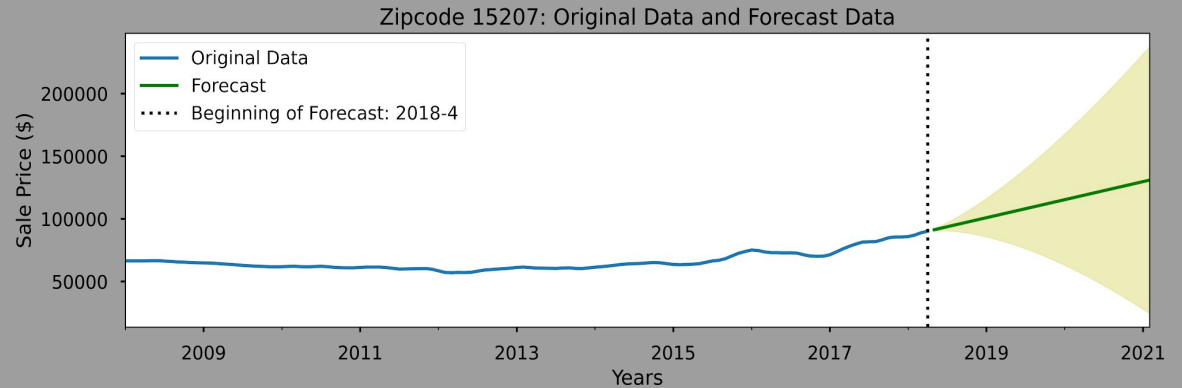


4th- and 5th-Highest ROI

15233 - Allegheny West
27% ROI, -20% Risk

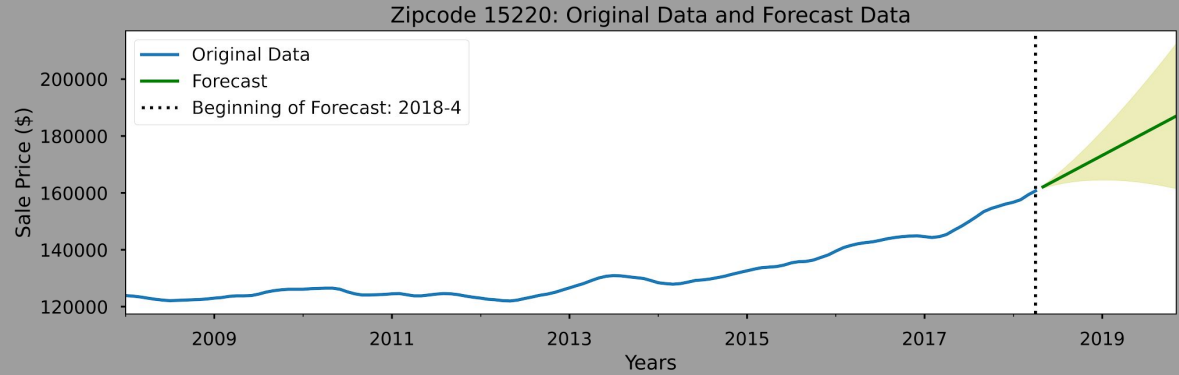


15207 - Hazelwood
20% ROI, -19% Risk

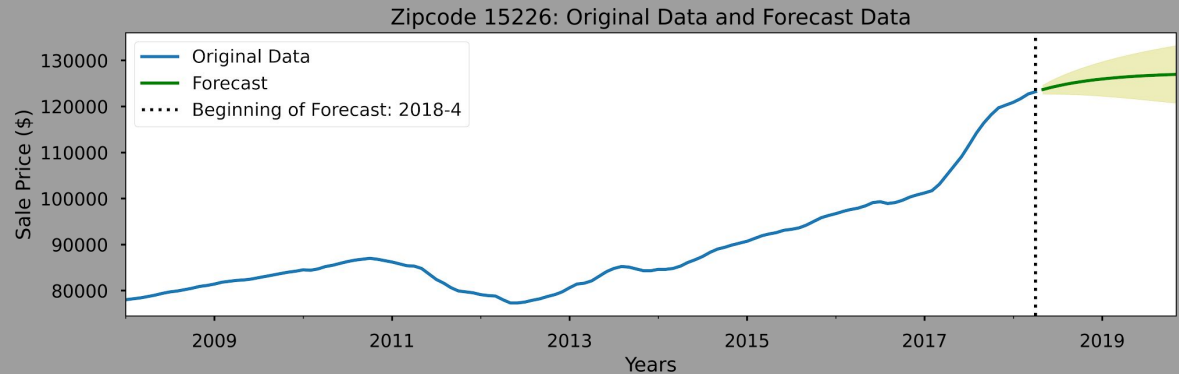


4th- and 5th-Lowest Risk

15220 - Greentree
13% ROI, .6% Risk



15226 - Brookline
3% ROI, - 2% Risk



Notable Trends

Best of Both

- Undergoing gentrification

High ROI

- Lower-income neighborhoods

Low Risk

- Middle-income neighborhoods

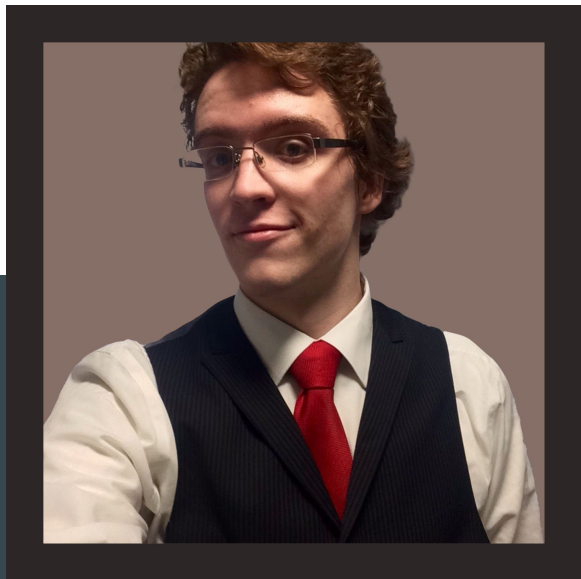
Final Recommendations

- Buy a house in the top 3 zip codes: 15206, 15201, 1521
 - Highest ROI and lowest risk
- Maximizing ROI? Buy in 15223 or 15207
- Minimizing risk? Buy in 15220 or 15226

What's Next?

- Compare against actual sales
- New data, new forecasts
- Consider additional factors

Thank You!



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