

# Maple Homes Real Estate King County

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Maximizing Profit Through Expanding Maple Homes Real Estate to King County, Washington

# Summary

- Maple Homes Real Estate
  - Specializes in the sale of commercial homes.
- FurPig Industries
  - Data Science firm of Greg Osborne, hired by Maple Homes.
- To maximize the home sale price, look for homes with:
  - **High Grade Rating**
  - **High Bathroom Count**
  - **Located on the Waterfront**
- More recommendations are possible.

# Outline

- Overview
- Business Problem
- Modeling
- Regression Results
- Recommendations
- Next Steps
- Thank you
- Appendix:  
Grade rating  
Information



# Overview

- Maple Homes Real Estate is expanding to King County, Washington
- Prioritize high sales price
- FurPig Industries, Data Science Consulting
- Three recommendations to achieve high sale prices



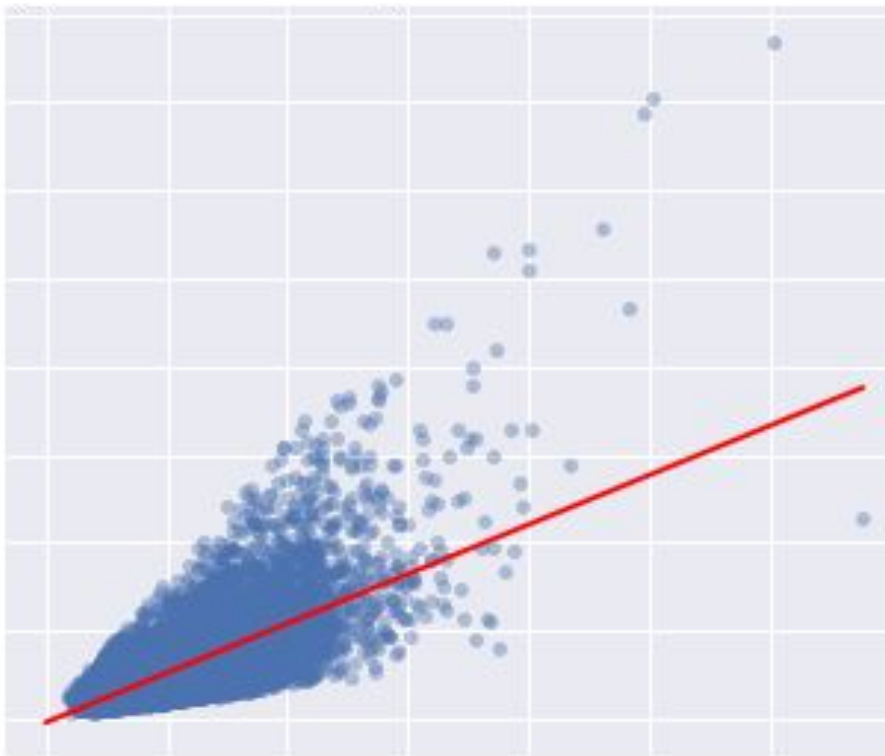
# Business Problem

- High sale price, high the commission & profit
- Highest priced homes
- What communicates a home will sell for a high price?



# Modeling

- Mathematical modeling accounts for multiple variables
- These variables predict sales price:
  - Grade Rating
  - Build Year
  - Waterfront
  - Number of Bathrooms



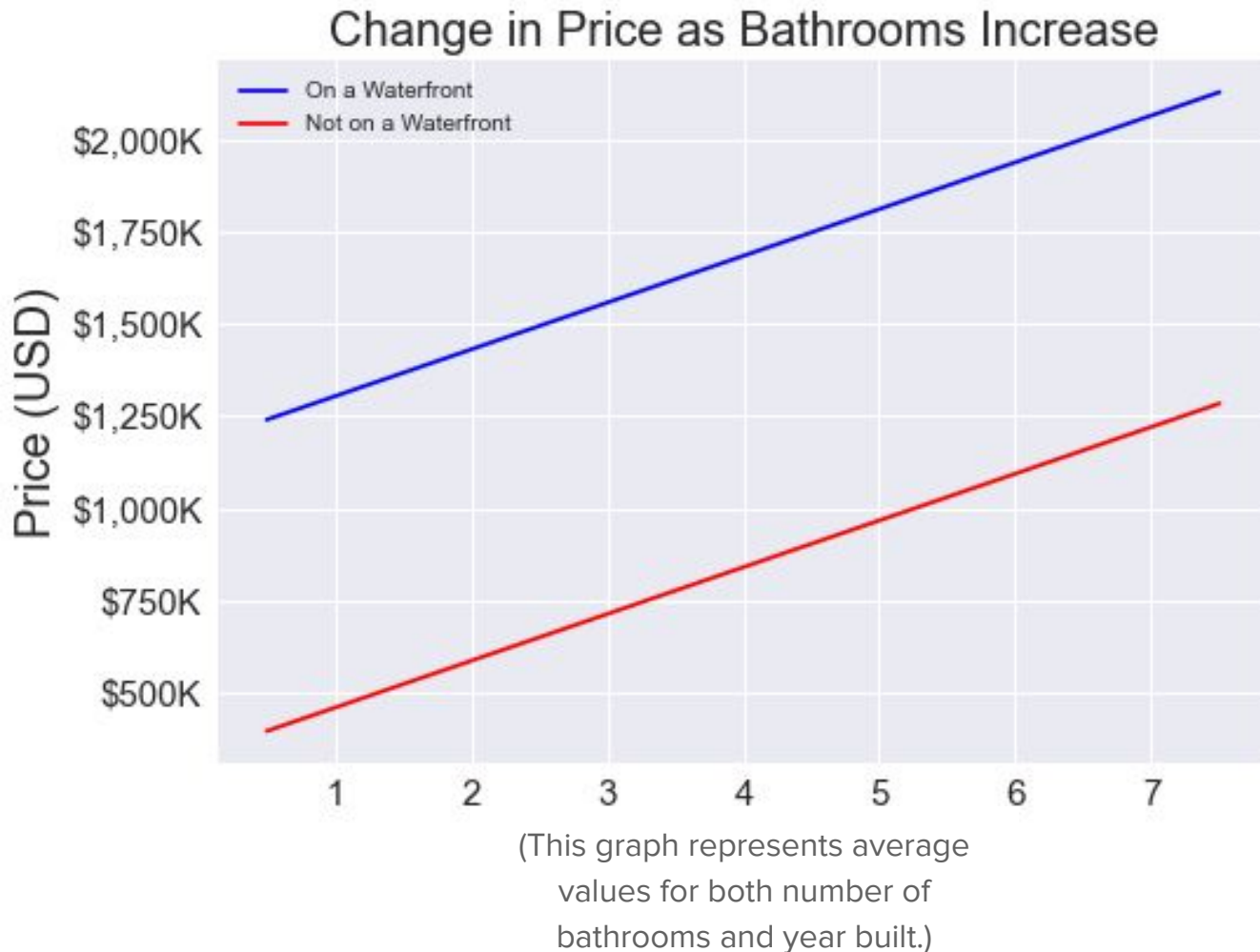
# Regression Results

- Sales price increased by \$196K / Grade
- Grade rating average in King County: 8
- Waterfront adds \$844K to the sales price.



# Regression Results

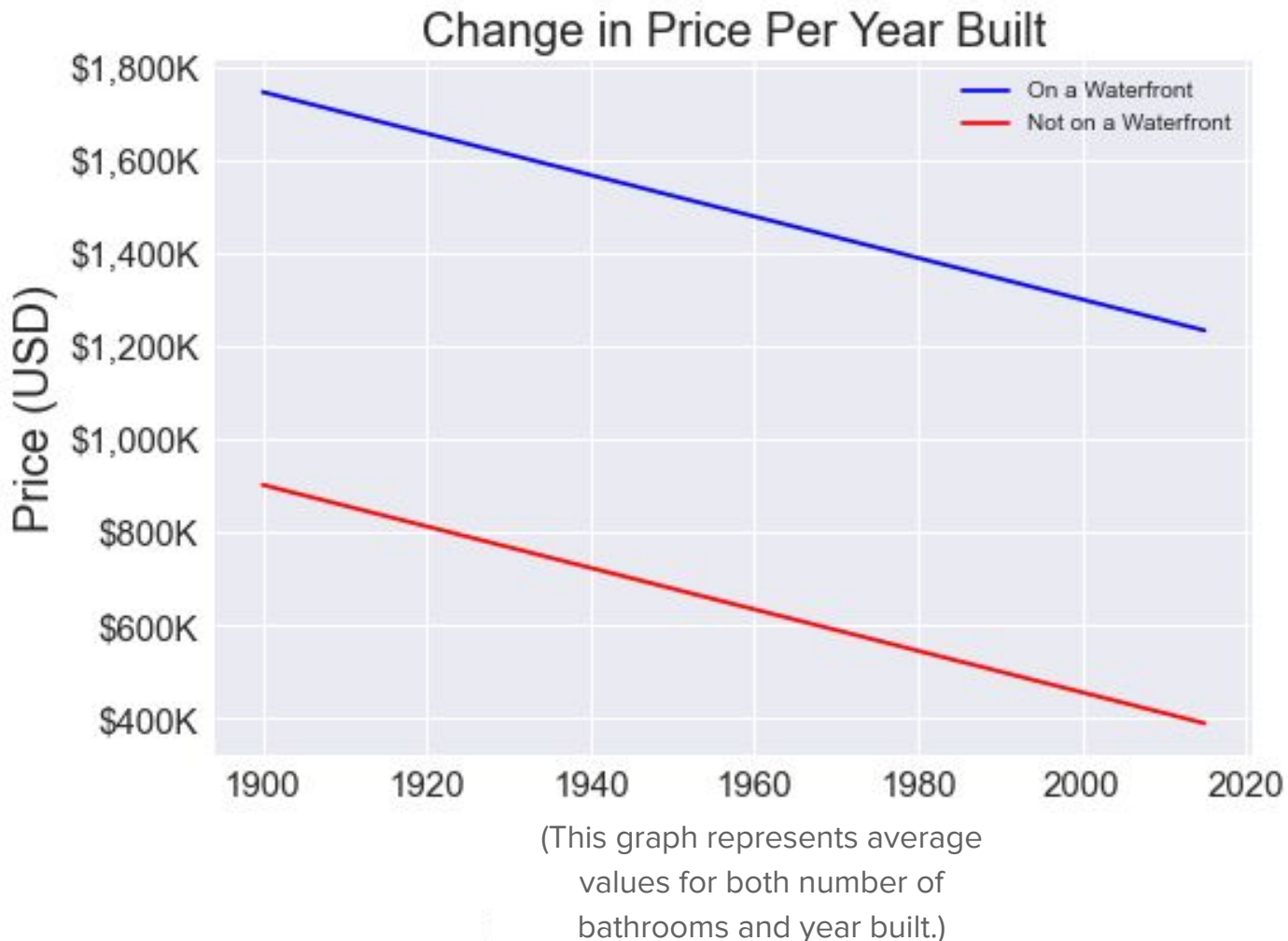
- Sales price increased by \$148K / Bathroom
- Number of bathrooms average in King County: 2





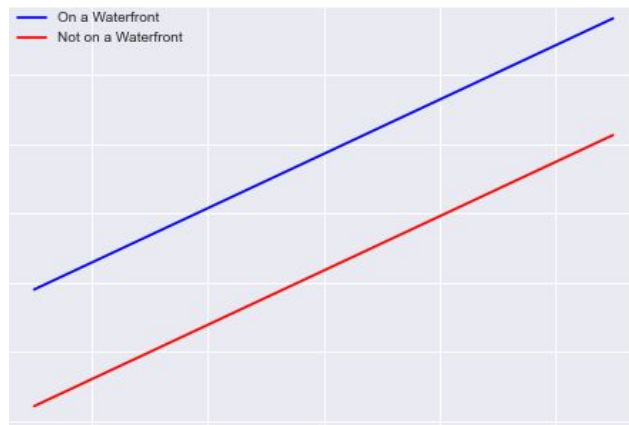
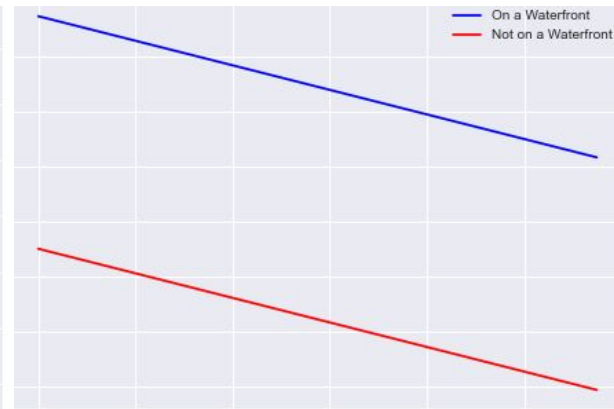
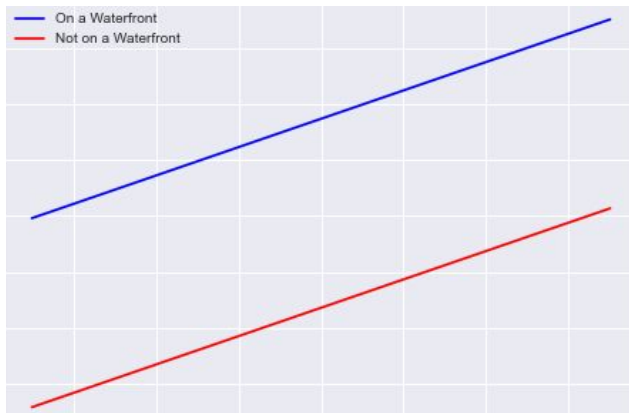
# Regression Results

- Sales price decreased by (\$148K) / Year
- Average build year in King County: 1971
- Waterfront adds \$844K to the sales price.



# Regression Results

- Sales price increased by \$844K if the home was on a waterfront.
- There are 143 homes on a waterfront in the dataset, 0.7% of all homes.



# Recommendation 1: Grade

- High grade is the best indicator of a high sale price.
- Salesmen should target homes with high grade ratings



## Recommendation 2: Bathrooms Count

- More bathrooms translates to a higher sales price.
- Salesmen should target homes with more than two bathrooms





## Recommendation 3: Waterfronts

- Waterfront homes sell for \$844K more
- With only 146 waterfront homes in King County, Salesmen should make representation a long term goal



## Next Steps: More Research

- Why are new homes cheaper?
- Location?
- More research is needed to explain this



# Thank You!

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# Grade Rating Information

- Copied from the [King County Assessor Website](#) :
  - Represents the construction quality of improvements. Grades run from grade 1 to 13. Generally defined as:
  - 1-3 Falls short of minimum building standards. Normally cabin or inferior structure.
  - 4 Generally older, low quality construction. Does not meet code.
  - 5 Low construction costs and workmanship. Small, simple design.
  - 6 Lowest grade currently meeting building code. Low quality materials and simple designs.
  - 7 Average grade of construction and design. Commonly seen in plats and older sub-divisions.
  - 8 Just above average in construction and design. Usually better materials in both the exterior and interior finish work.
  - 9 Better architectural design with extra interior and exterior design and quality.
  - 10 Homes of this quality generally have high quality features. Finish work is better and more design quality is seen in the floor plans. Generally have a larger square footage.
  - 11 Custom design and higher quality finish work with added amenities of solid woods, bathroom fixtures and more luxurious options.
  - 12 Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.
  - 13 Generally custom designed and built. Mansion level. Large amount of highest quality cabinet work, wood trim, marble, entry ways etc.