To begin exploring the data we wanted to quickly get an idea of the value of an investment in relation to the average prices of the of the households.

A graph with blue lines

Description automatically generated

Looking at the data, the most valuable households are in Manhattan Beach, Venice, and Miami Beach. After those three major cities, most of the other cities are all at similar price points meaning that we can decide between working with higher value homes or smaller value homes.

A graph of a number of feet

Description automatically generated with medium confidence

Looking at the Average price per square foot per city we were able to identify that many of the cities all fall around the range of 600-1000 price per square foot. The outlier cities to this data are Manhattan Beach, Venice, and Inglewood. All these outliers fall within California, and we believe that Manhattan Beach and Venice are likely due to beachside properties having less square footage but still being valuable for their location. As such in terms of house flipping, these locations could be more beneficial for house flipping. Upon further data analysis, however, this is most true for single family residentials.

A graph of average square feet per city

Description automatically generated

Looking at average price per square foot per city separated by property type, Manhattan Beach, and Venice both show that most of their value comes from single family residentials. Also, overall, most of the single family homes are larger than the Townhouses that are available for sale. Meaning we could look at working with less homes to turn more of a profit specifically in areas such as Manhattan Beach or Venice. Or on the other end of the spectrum, have more security in working with more townhouses where mistakes or failures to sell will be less detrimental to the company.

A graph of a number of different colored bars

Description automatically generated with medium confidence

Dependent on the target market that is desired, we found that the single-family homes are built to house many more people than the Townhouses. Given this though the averages of beds and baths if the client has no preference to the types of houses they want to manage, they can target larger or smaller families by choosing between the different property types.

A graph on a white background

Description automatically generated

One disappointing discovery is that it appears that waiting for houses to have the price go down is not an effective strategy. The graphs shows that the prices for homes does not have a significant drop off as days on market gets larger. Its still possible that there is a connection and waiting is a valid strategy assuming we were just unable to capture the data effectively. Being able to collect data on the homes over a period of time and not only once would help to identify if that is the case. Because assuming it is, we could make substantial profits by targeting homes that have been on the market for an extended period of time.

A screenshot of a graph

Description automatically generated

Within the areas we collected data, Florida in the Miami area contains tons more properties than that of California. Almost all these properties are townhouses, yet the number of townhouses is a little less than double all of California’s properties combined. One detail we couldn’t capture that could be important to this point is that Florida properties could have higher turnover. Which, depending on the type of work desired could be better or worse to invest in. For buying and selling homes Florida would be more profitable with greater access to real estate. But for renting California would be better assuming that Florida has a higher turnover rate.

A graph showing a line

Description automatically generated

As expected, price increases as the amount of total baths increases. And though not show, this trend is very similar to the trend when using beds as well. The only major point of note with this trend is how this implies that the difference between townhouse and single-family residence is not the innate type of house. But rather the difference between the two types of homes comes down to the size more than the type itself. So the types of homes when looking to acquire properties really comes down to preferences that relate to the house type. As most homes do not have their prices linked to the property type in any meaningful way but more towards the actual size of the home.