

# The Battle of Neighborhoods: Cluster Analysis of London Real Estate Market

Final Capstone Project by IBM Data Science Professional Certificate

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## **Business Problem Section**

**Brexit** 

**Hidden price falls** 

**Record-low sales** 

**Homebuilder exodus** 

Tax hikes overseas buyers





# **Business Problem**

How could we provide support to homebuyers clientele in to purchase a suitable real estate in London in this uncertain economic and financial scenario?



## **Solution**

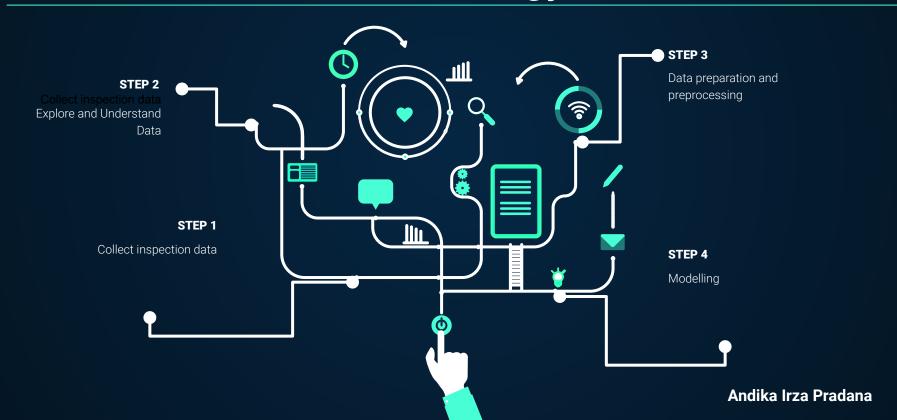
Clustering London neighborhoods in order to recommend venues and the current average price of real estate where homebuyers can make a real estate investment.

#### **Data**

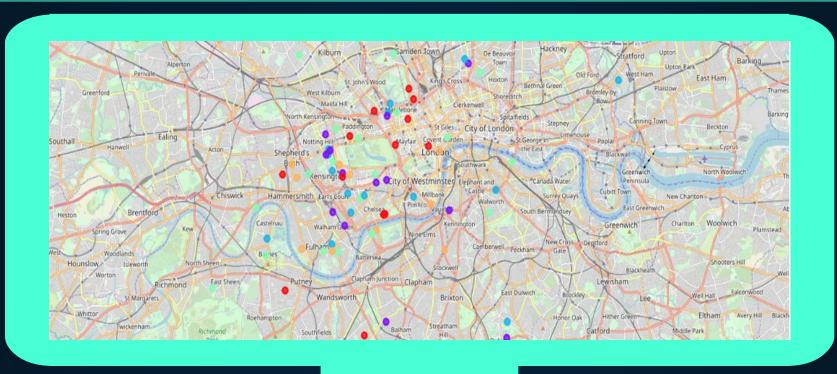


Merging data on London properties and the relative price paid data from the HM Land Registry and data on amenities and essential facilities surrounding such properties from FourSquare API interface.

# Methodology



#### Location





#### **Outcome**

Examination of real estates according to neighborhoods/London areas

- West London (Notting Hill, Kensington, Chelsea, Marylebone) and North-West London (Hampsted) might be considered highly profitable venues to purchase a real estate;
- South-West London (Wandsworth, Balham) and North-West London (Isliington) are arising as next future elite venues with a wide range of amenities and facilities

Examination of real estates by clusters

- Clusters 0, 2 and 4 may target home buyers prone to live in 'green' areas with parks, waterfronts;
- Clusters 1 and 3 may target individuals who love pubs, theatres and soccer.