

# HELPING HOMEOWNERS INCREASE HOME VALUE

Austin Collins
July 12, 2022

## Summary

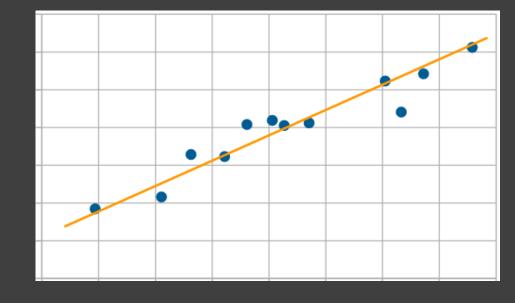
- Goal: Give real estate agents (you) advice to pass on to homeowners to increase home value
- The Data
- The Model
- The Factors
- What owners can do

#### The Data

- 21, 597 homes in King County, Oregon
- Sold in 2014-2015
- Included information about size, bedrooms and bathrooms, quality of materials, sales comparable, view, etc.

### The Model

- Ordinary Least Squares regression
- Included 12 factors
- Ruled out unreliable/confounding variables
- Explained 70.2% of the variance



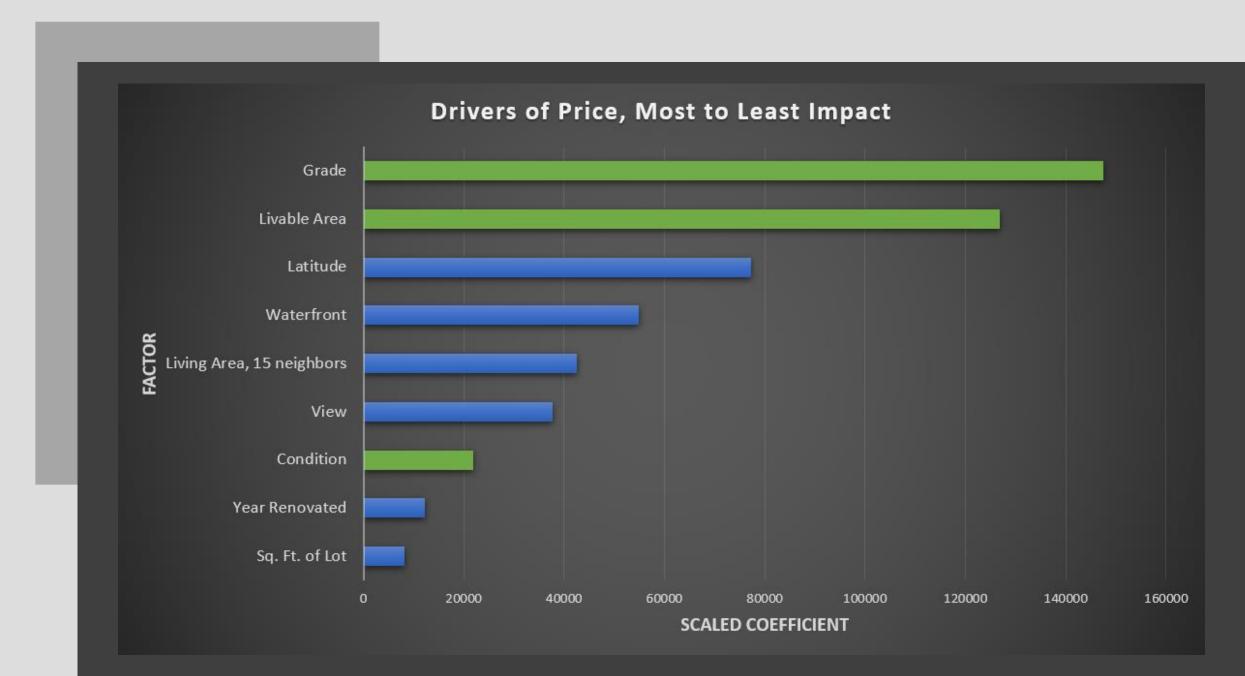
### The Factors

#### **Positive**

- Grade
- Livable Area (Bedrooms x bathrooms x living sq. ft.)
- Latitude
- Waterfront
- Living sq. ft. of 15 nearest homes
- View
- Condition
- Year renovated
- Sq. ft. of lot

#### **Negative**

- Year built
- Longitude
- Lot size of 15 nearest homes



#### What Owners Can Do

- Improve grade
  - Wood finishes, new tile, updated plumbing, countertops, insulation
  - Can also impact "year renovated" factor
- Add livable square footage
  - Add a bedroom, bathroom, enclose a patio\*
- Improve condition
  - Clean the house, fix small repairs, touch up paint

## Questions?