King County Housing Analysis

How to maximize value by Mercy Ngila

The problem

Company

Sunset Real Estate Company

Problem statement

The Company, is currently exploring the idea of purchasing properties to remodel either for the purpose selling or renting to prospective clients in King County.

Objectives

Objective 1

To build a model that predicts the price of houses with an acceptably high accuracy.

Objective 2

To identify variables with the most weight when it comes to predicting the highest market price.

Objective 3

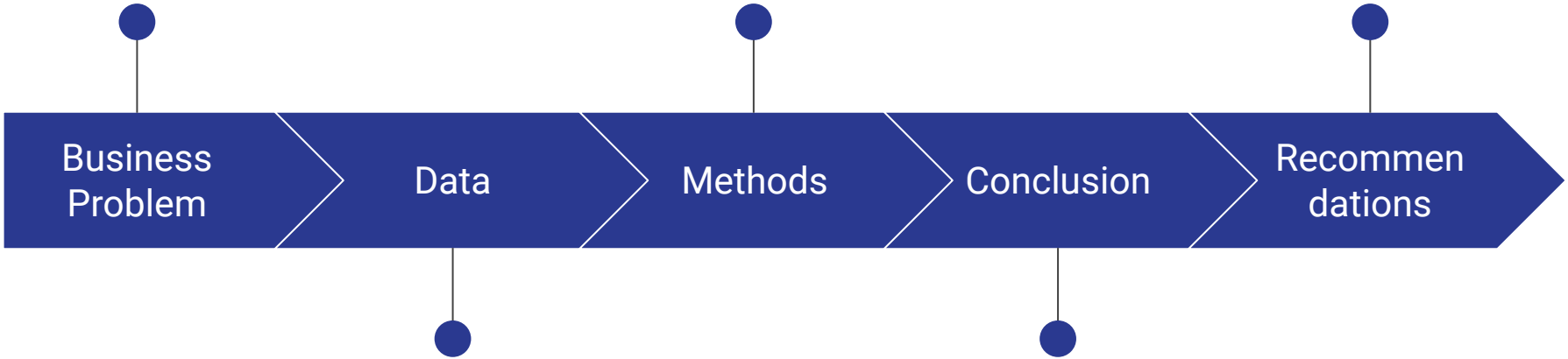
To advice on the best investment strategy

Best model for maximized market price

EDA

Multiple Regression

Best Investment Strategy

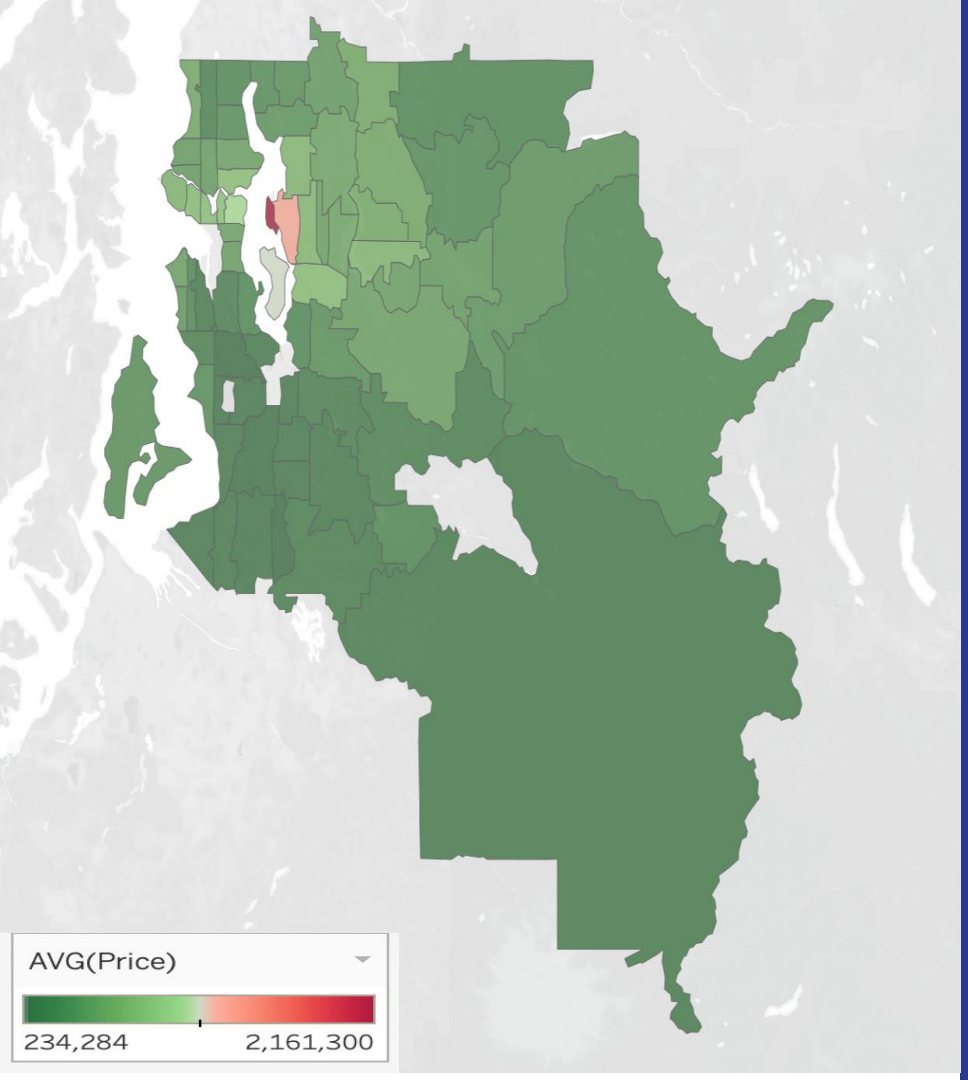


KC Housing Data, previous King County Housing data

Summary

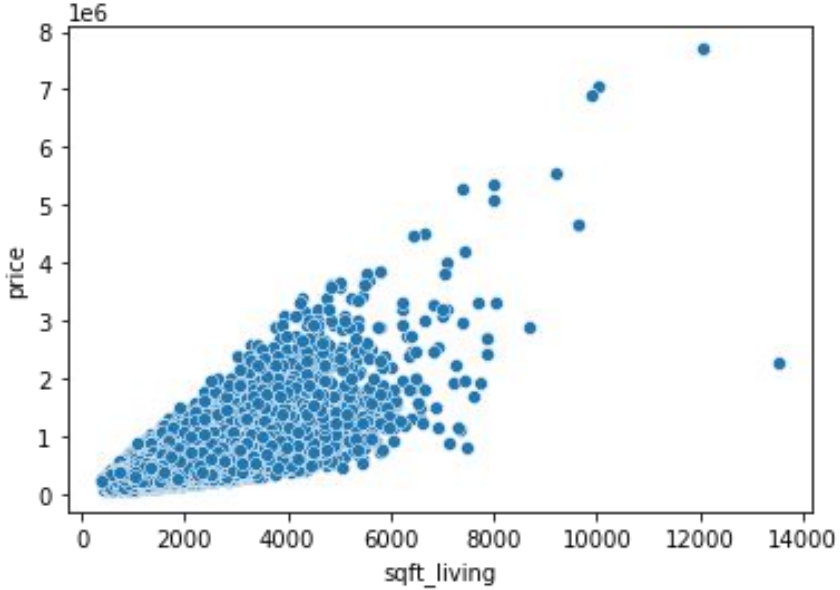
Key Factors

- Location
- Spacious Interior
- Condition



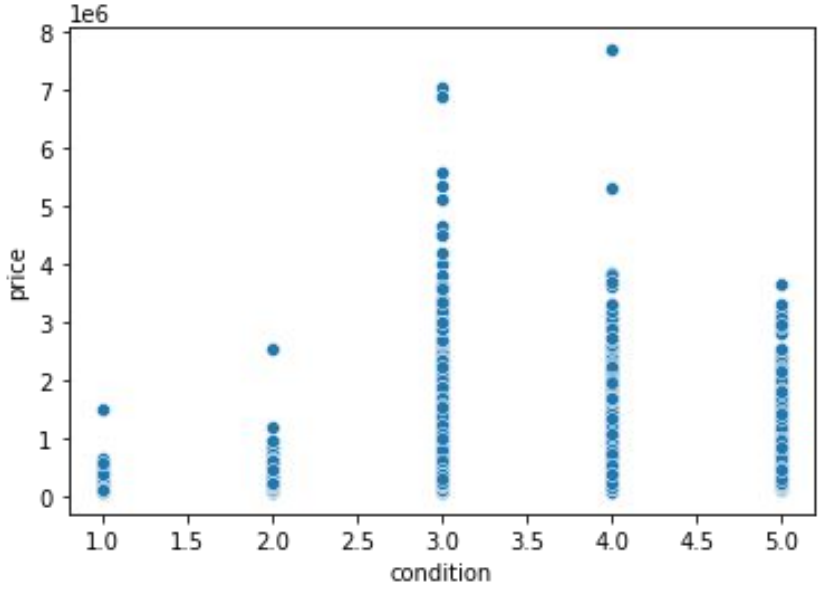
Location

- A volatile factor in home value
- Some zip codes will fetch more $$$ than others
- Priciest - Medina, WA (Zip Code 98039)



Spacious Interiors

- More square footage in the house
- More space = More $$$



Condition

1 - Very Bad
2 - Bad
3 - Average
4 - Good
5 - Very Good

- Average to very good condition house fetch more $$$

Conclusion

Summary

Ideal conditions for high market prices:

- Average to very good conditions
- Location matters
- Spacious interiors

Recommendations

Recommendation 2

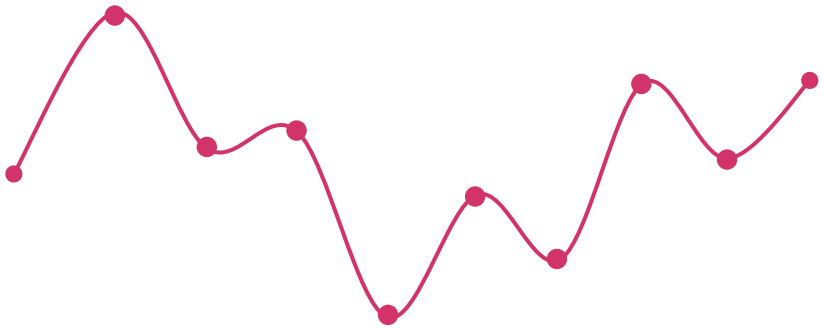
Further look into demographic and purchasing power of the people.

Recommendation 3

Renovating lower condition houses for sale/rent

Recommendation 3

Further look into distance to employment companies in the area to determine if it could be cause for settlement



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