For my final project I want to forecast housing prices based on a variety of economic data. The area I am interested in most is Colorado. I found data which I think may be useful on Kaggle.com which I linked below. I think that rental affordability experiencing a downward trend may influence a high percentage desire to be a single-family homeowner. This increased demand should drive prices higher. Any mean reversion in the median home price over a long trend would likely be dampened by this demand. If an area is desirable, but unaffordable from a rental perspective this would make the aforementioned case more likely. Evidence of this can be found by looking at negative equity trends in the housing markets and examining the effects of the 2008 housing market crisis. An area which is deemed highly desirable would have experienced a less pronounced effect following the crisis. If an individual deems an area desirable, but unaffordable they will do everything they can to stay in that area. The most affordable option from a long-term perspective would be to obtain equity in your housing.

<https://www.kaggle.com/datasets/robikscube/zillow-home-value-index>

<https://www.kaggle.com/datasets/thedevastator/rental-affordability-analysis-based-on-median-in>

https://www.kaggle.com/datasets/thedevastator/negative-equity-trends-in-us-housing-markets-201