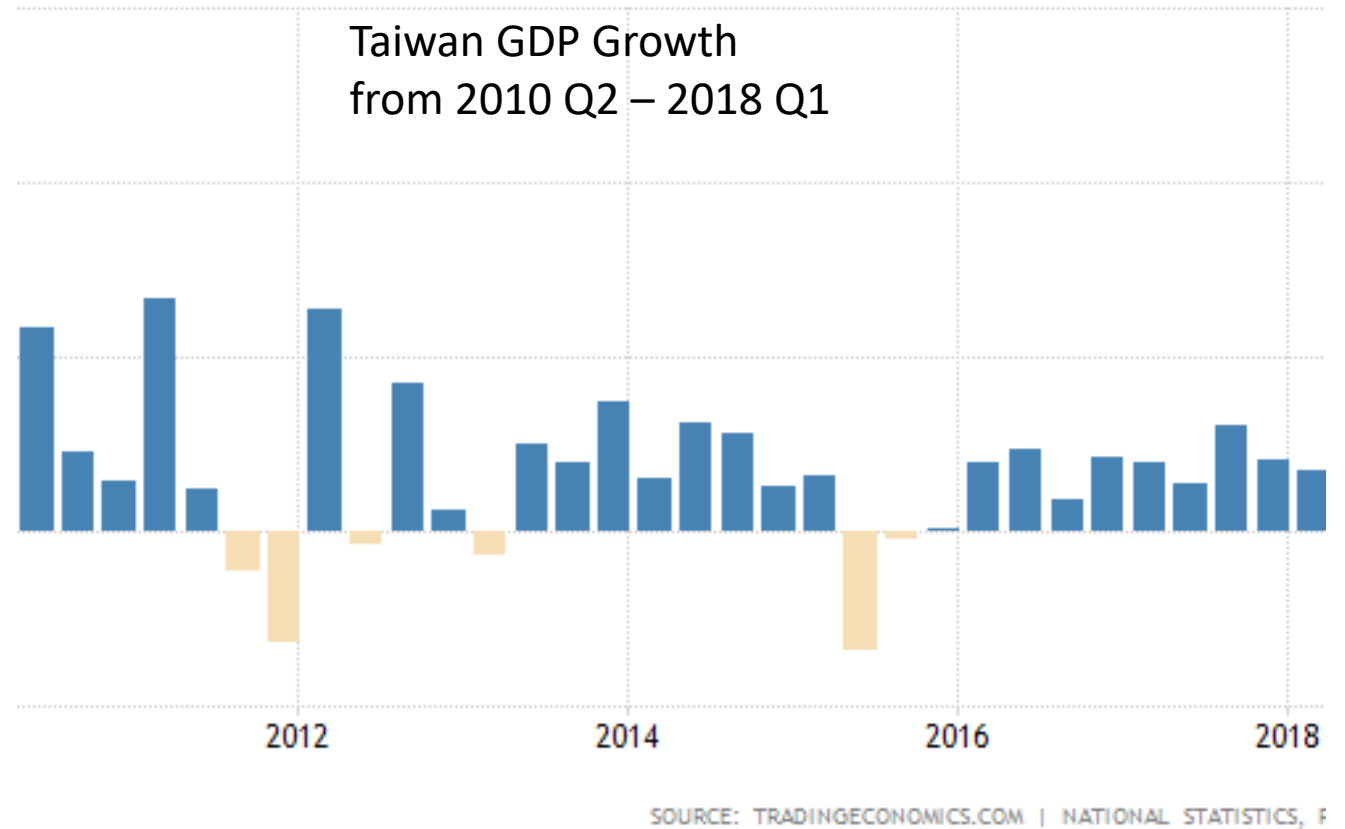# House Sales in the Xindian Dist., New Taipei City, Taiwan

Key Factors in Determine Selling Price

- House prices depend on a few variables and factors

- Data analysis was conducted on housing sales in the Xindian District, New Taipei City, Taiwan from 2012 and 2013
  - The analysis was done for just one district in New Taipei
  - This reduced the number of factors and variables

- Factors examined are:
  1. House age
  2. Number of convenience stores
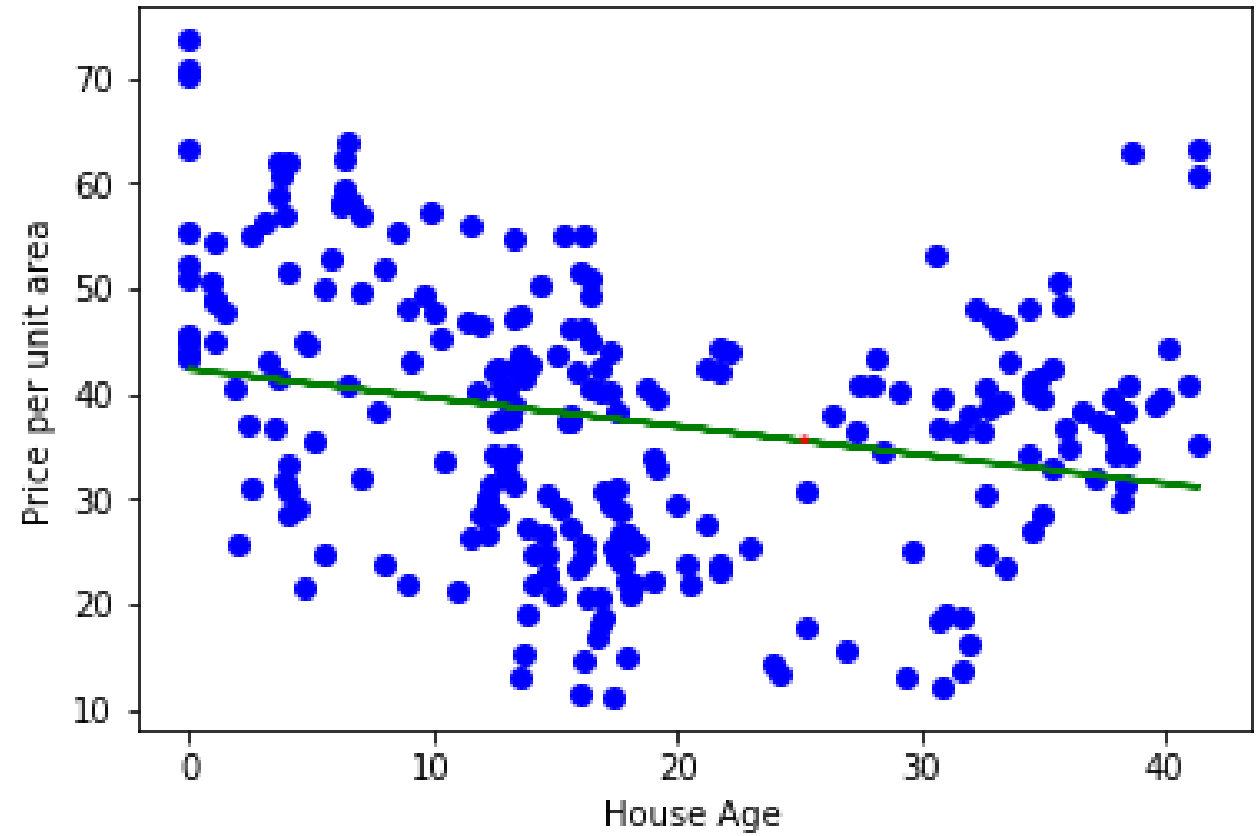 3. Distance to MRT Station (public transport)

Data Acquisition

- Data was acquired from UCI repository
  - https://archive.ics.uci.edu/ml/datasets/Real+estate+valuation+data+set#

- The data was developed by Prof. I-Cheng Yeh of Department of Civil Engineering, Tamkang University, Taiwan

- Taiwan experienced a growth in GDP during this period after a downturn in the last 2 quarters of 2011

- Surprisingly house sales went down during this period

Taiwan GDP Growth
from 2010 Q2 – 2018 Q1

2012   2014   2016   2018

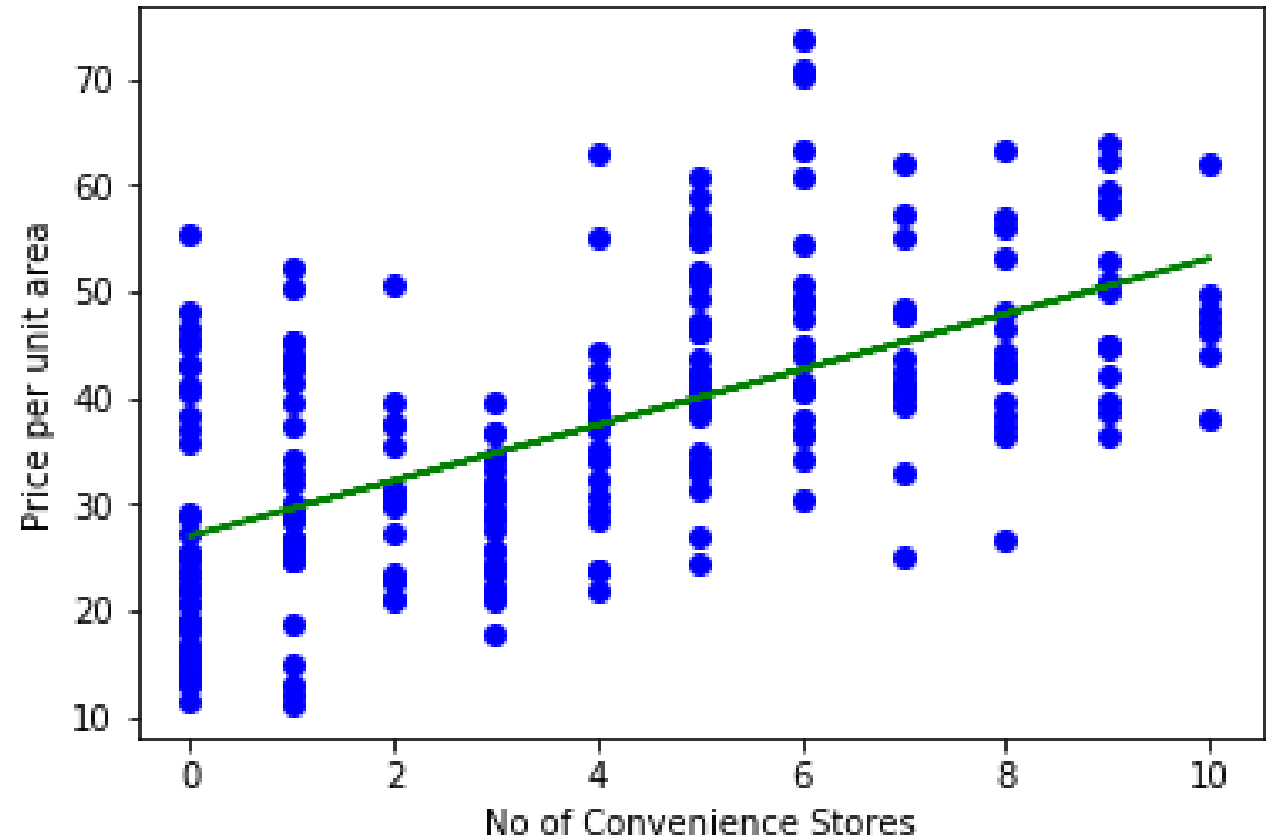SOURCE: TRADINGECONOMICS.COM | NATIONAL STATISTICS, F

Is your old House Preventing a Higher Value?

- This scatter plot shows the age of the house as minimal effect on the value

- This may be due to perpetual renovations of older houses to keep up with the latest technology and aesthetics
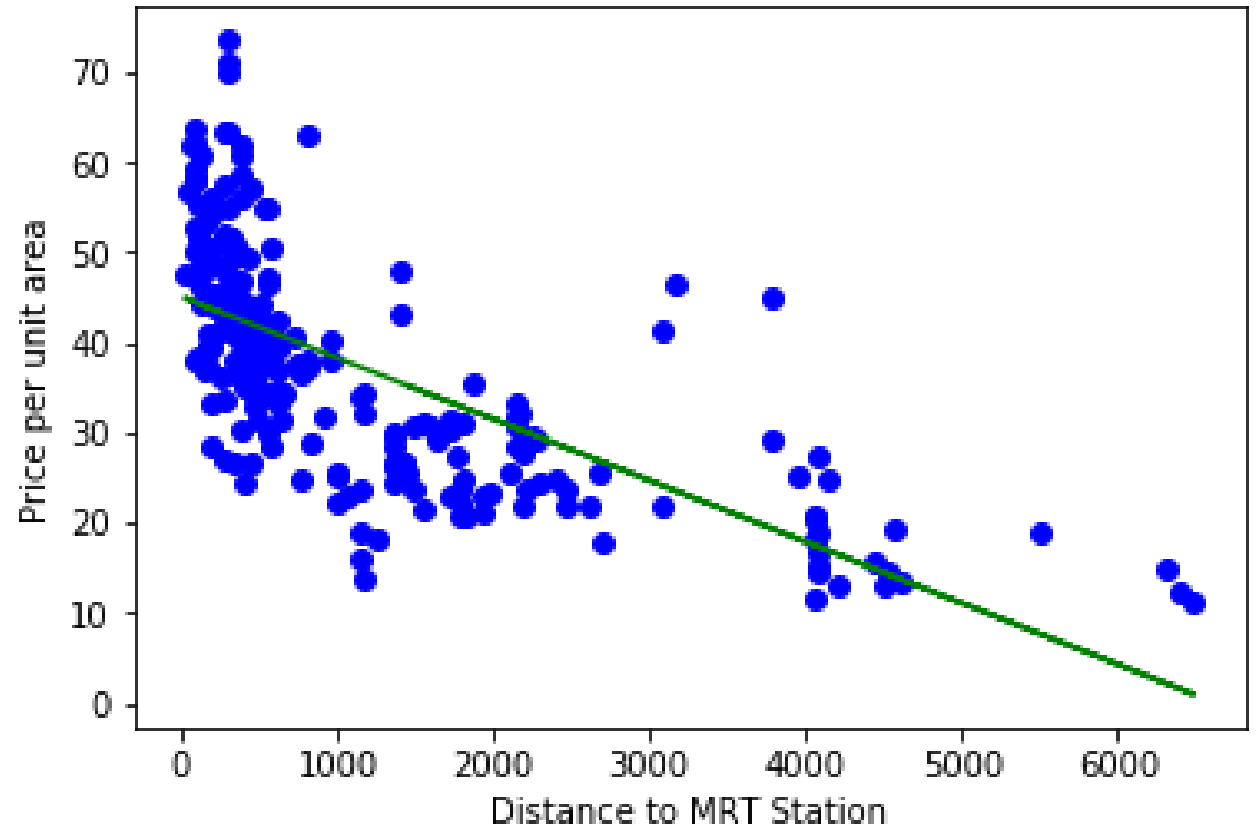 - Therefore, older houses can sell for a high price

Impact of Convenience Stores

- The number of convenience stores does not have an impact on house values

- This may be due to the advent of e-commerce or ease of movement
  - Residents do not regard grocery shopping as a factor in determining where to buy a house or live

How Important is Transportation

- The data analysis shows that distance to MRT stations impact housing values
  - The closer a house is to a MRT station, the higher the value of sold houses

Conclusion

- Real estate investors should purchase houses closer to the MRT transportation

- This analysis show "Upper-fixers" may ave success in this market as older houses aren't drawbacks for customers

Next Steps

- Examine neighboring districts to determine if the trends seen in Xindian District are similar

- Determine how many cars are driven and sold in Xindian
  - This may help understand why is proximity closely correlates with house values

- Look at data from a longer period of time