



KING COUNTY REAL ESTATE

Market Analysis

OBJECTIVES

01.

Renovation impact assessment

How various types of renovations correlate with changes in the estimated value of properties

02.

Renovation priorities

Which specific renovations contribute most significantly to increasing property values

03.

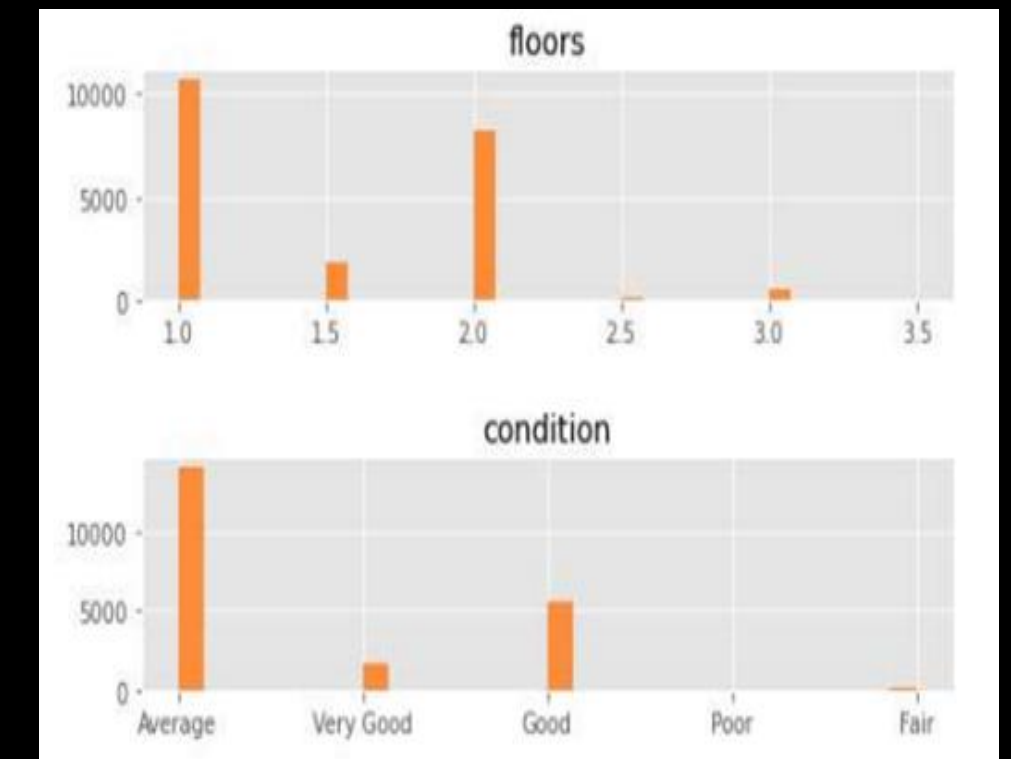
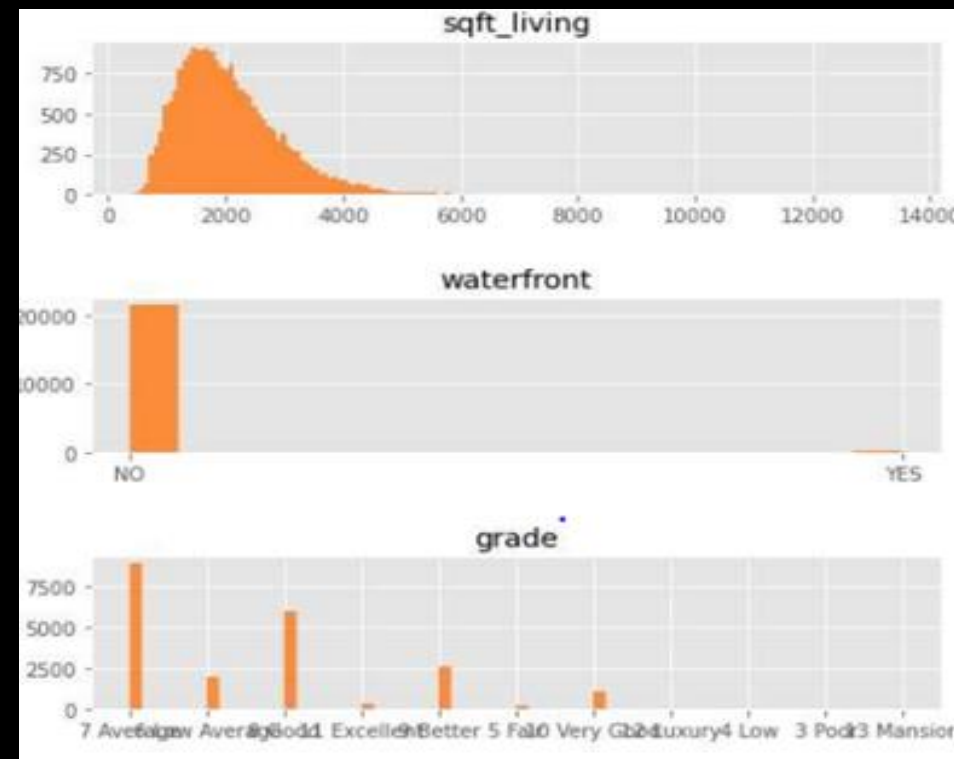
ROI optimization

What renovations offer the best return on investment for homeowners.

01

Renovation impact

- Square Footage of Living Space: Increasing the square footage of living space is associated with a higher estimated property value. Consider adding extra square footage to maximize the potential sale price.
- Condition of the House (Maintenance): Improving the condition of the house is linked to a better sale price. Upkeep and small fixes contribute to a higher estimated property value.
- Grade of the House (Quality of Construction): Investing in the quality of construction and design (reflected in the grade) is a smart move to increase the estimated property value.
- Number of Floors: Generally, more floors are correlated with a higher estimated property value. However, changes from 1 to 1.5 floors and 1 to 2 floors should be carefully considered, indicating a nuanced relationship.
- Waterfront and View: Properties with scenic views or waterfront locations command a premium, correlating with a higher estimated property value

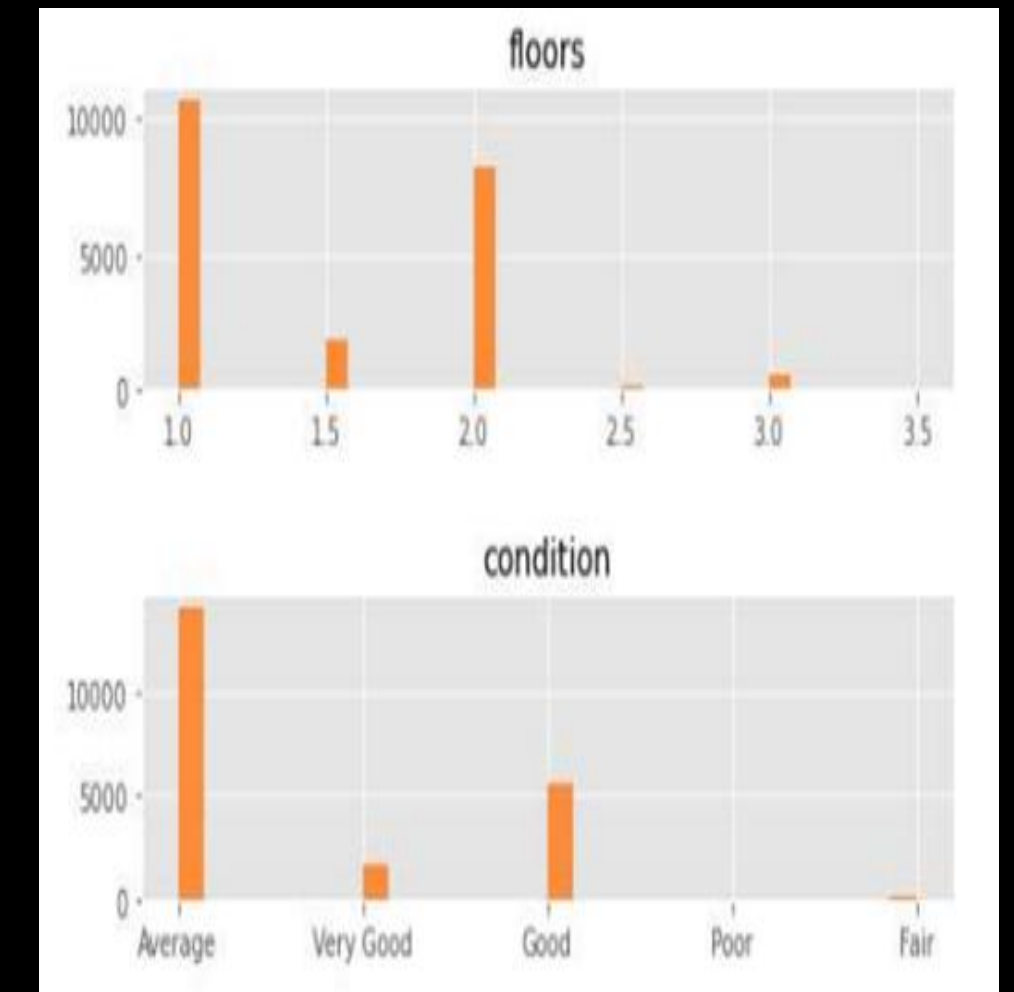
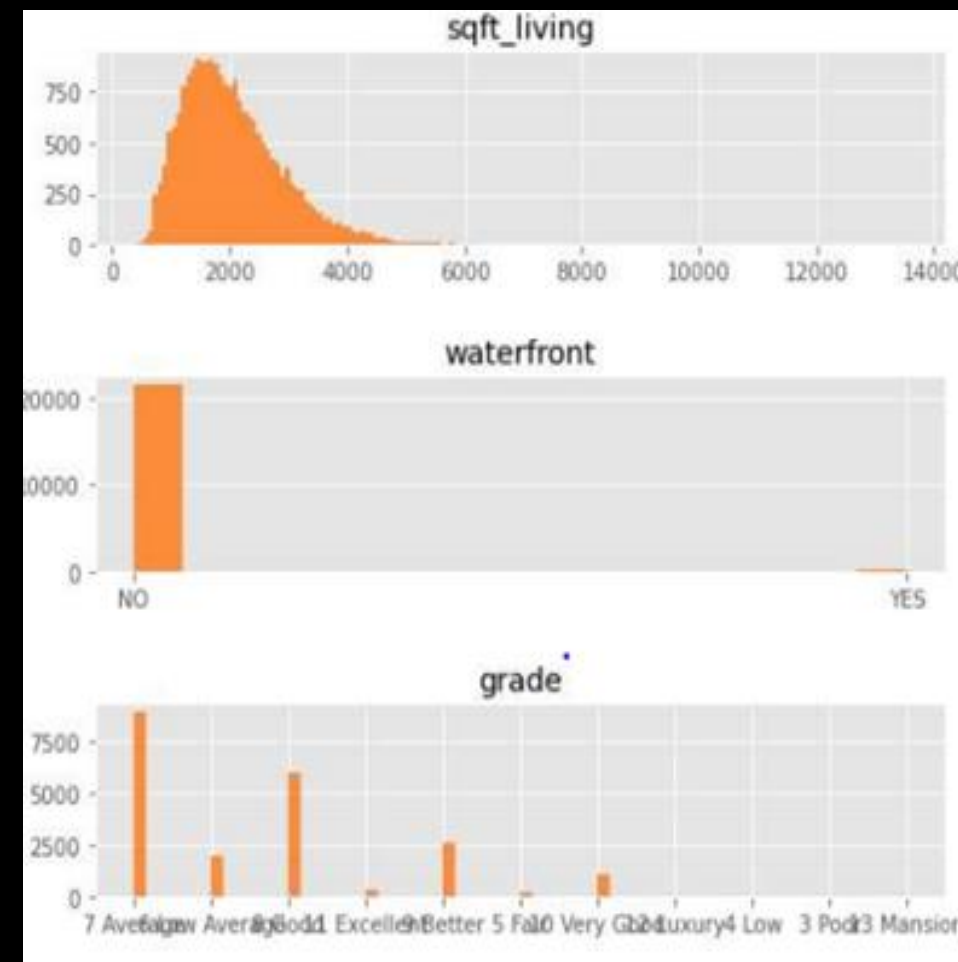


02

Renovation Priorities

Homeowners considering renovations to increase property values may find the most value in focusing on these specific aspects:

- Expanding living space
- Maintaining the property in good condition
- Investing in construction quality and design
- Leveraging scenic features
- Undertaking recent renovations



03

Return on Investment optimization

- **Prioritize Renovations with High Impact:** Focus on renovations that have been identified as having a significant positive impact on property values based on the regression model. These may include increasing square footage, improving the condition of the house, upgrading construction quality, and leveraging scenic features.
- **Consider Market Trends and Preferences:** Research local real estate market trends and preferences.
- **Consult with Real Estate Professionals:** Seek advice from real estate agents and market analysts familiar with the local market.
- **Budget Planning:** Develop a detailed budget for each renovation project. Having a clear budget helps in making informed decisions and avoiding overspending.
- **Prioritize Maintenance and Small Fixes:** Allocate a portion of the budget to regular maintenance and small fixes as they contribute to the overall appeal and condition of the property.
- **Monitor Renovation Trends:** Stay informed about current renovation trends and popular features in the real estate market.
- **Regularly Review and Adjust Strategy:** Regularly review the strategy based on market dynamics and feedback from professionals.

Major considerations

- While the model indicates correlations, the exact monetary impact in dollar terms is not explicitly provided.
- The nuances in the relationship between floors suggest a need for careful evaluation before making structural changes.
- Homeowners should balance renovation costs with potential increases in property value to maximize return on investment



Recommendations

- Prioritize Square Footage Expansion
- Invest in Maintenance and Small Fixes
- Upgrade Construction Quality and Design
- Explore Energy-Efficient Upgrades
- Highlight Scenic Features
- Seek Professional Advice
- Stay Informed About Market Trends
- Regularly Review and Adjust Your Strategy



08.

References

King County House Sales dataset

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