HELPING HOMEOWNERS INCREASE HOME VALUE
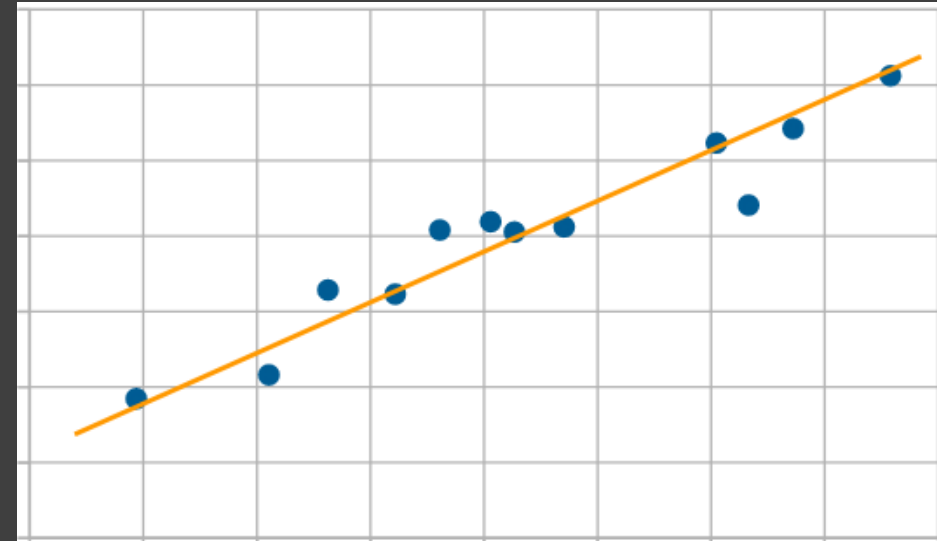
Austin Collins

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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% of the variance
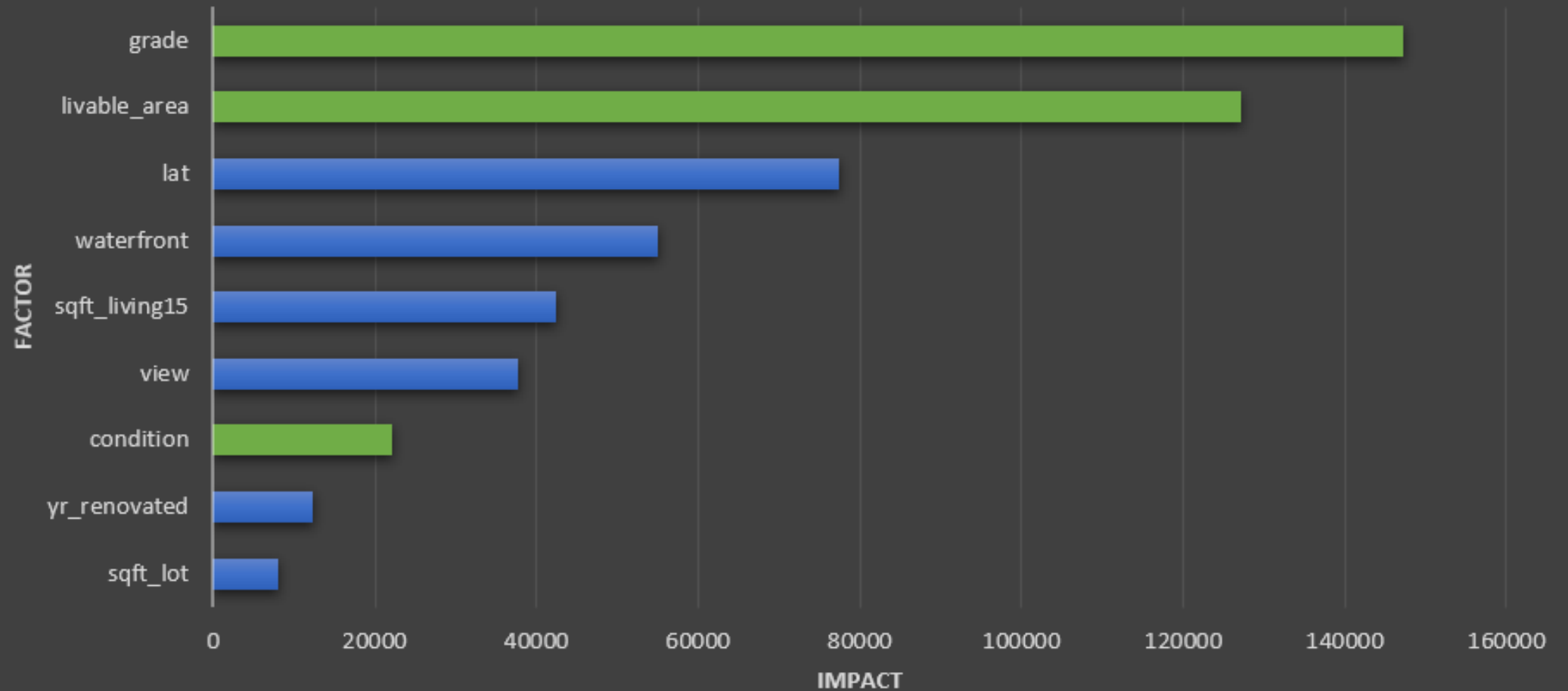
The Factors

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

Drivers of Price, Most to Least Impact

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?