

FORECASTING REAL ESTATE PRICES:

Top 5 Best Connecticut Zipcodes to Invest in

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BUSINESS PROBLEM

Selecting the Top 5 best zipcodes for
a real estate firm to invest in



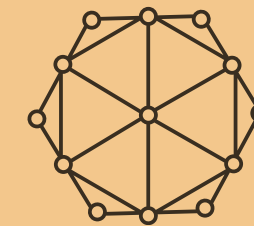
ANALYSIS

What is the definition of best?
Return On Investment



DATA

Zillow Research Data 1996 -2018
<https://www.zillow.com/research/data/>



TIME SERIES MODEL

Predict real estate prices based on
previous registered values.

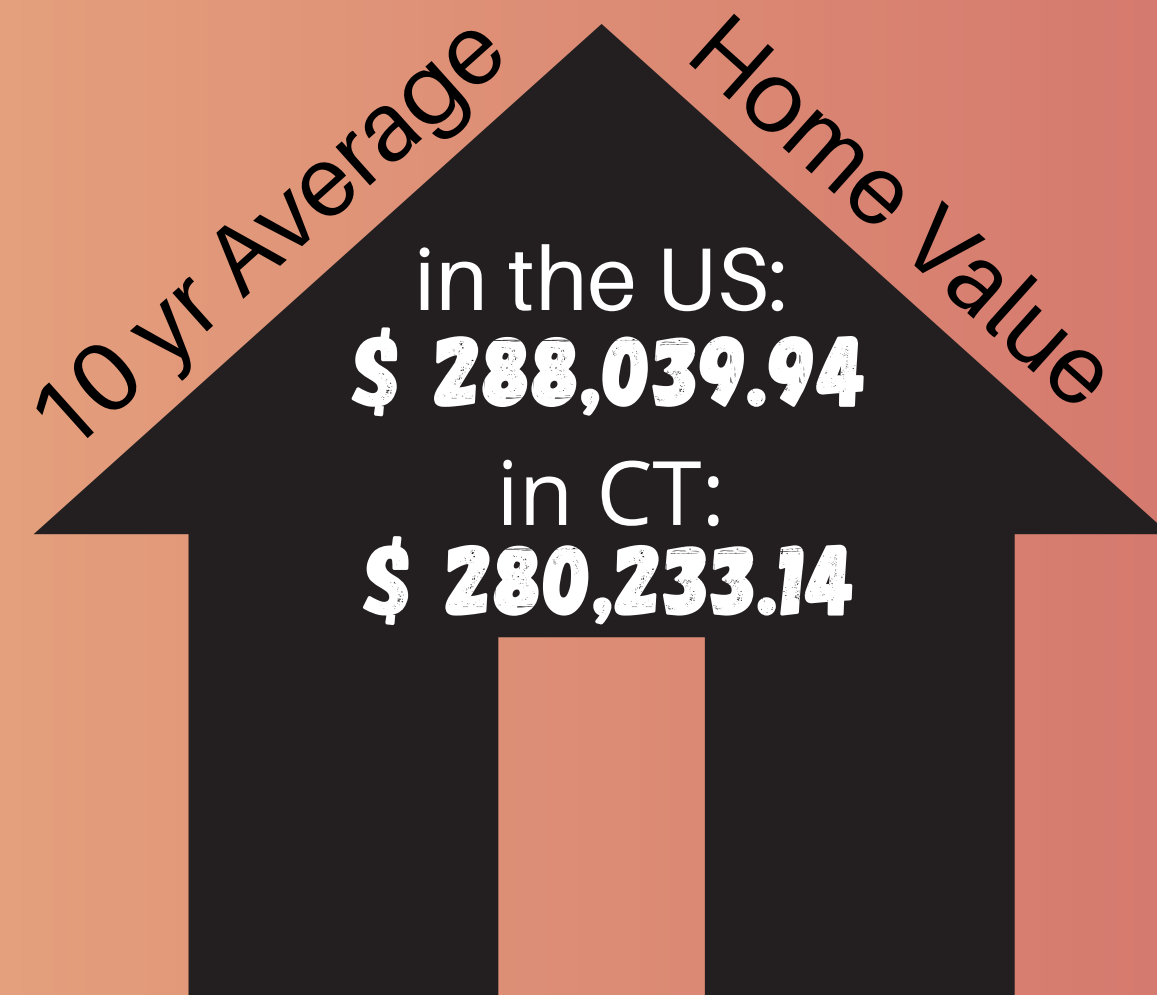
OVERVIEW

14,723

Total US zipcodes

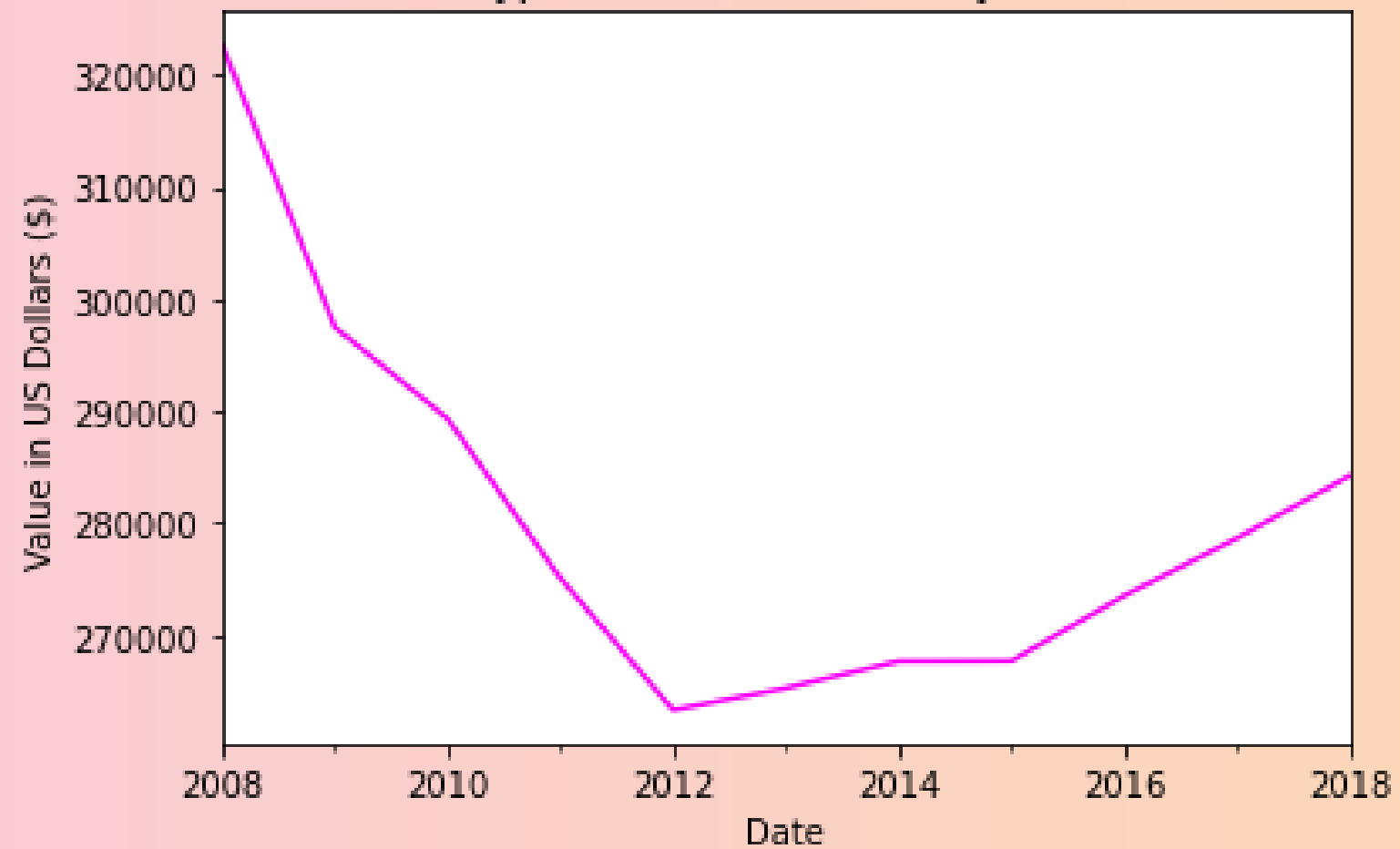
124

Total CT zipcodes

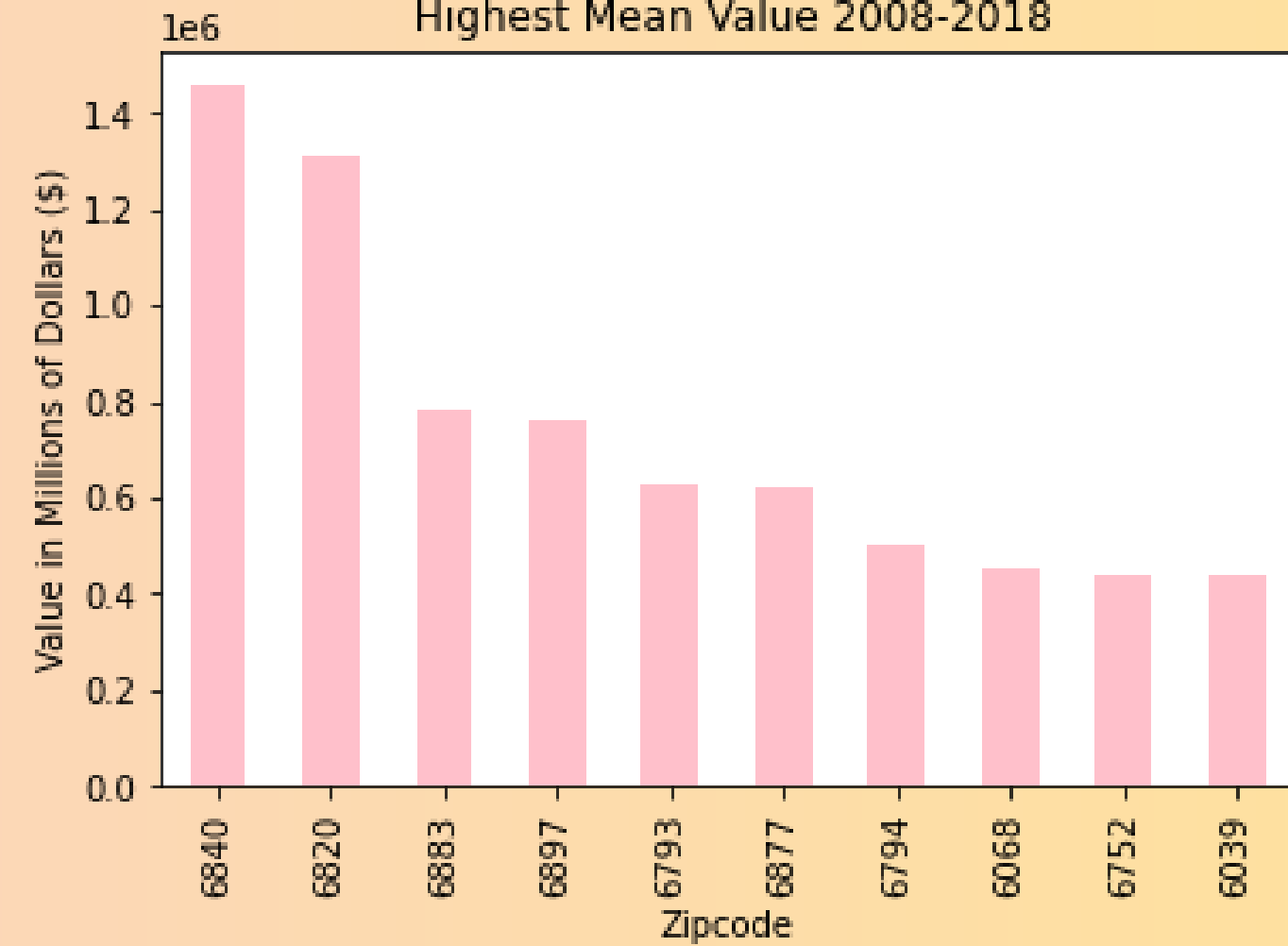


ANALYSIS 2008-2018

Typical CT Home Value by Year



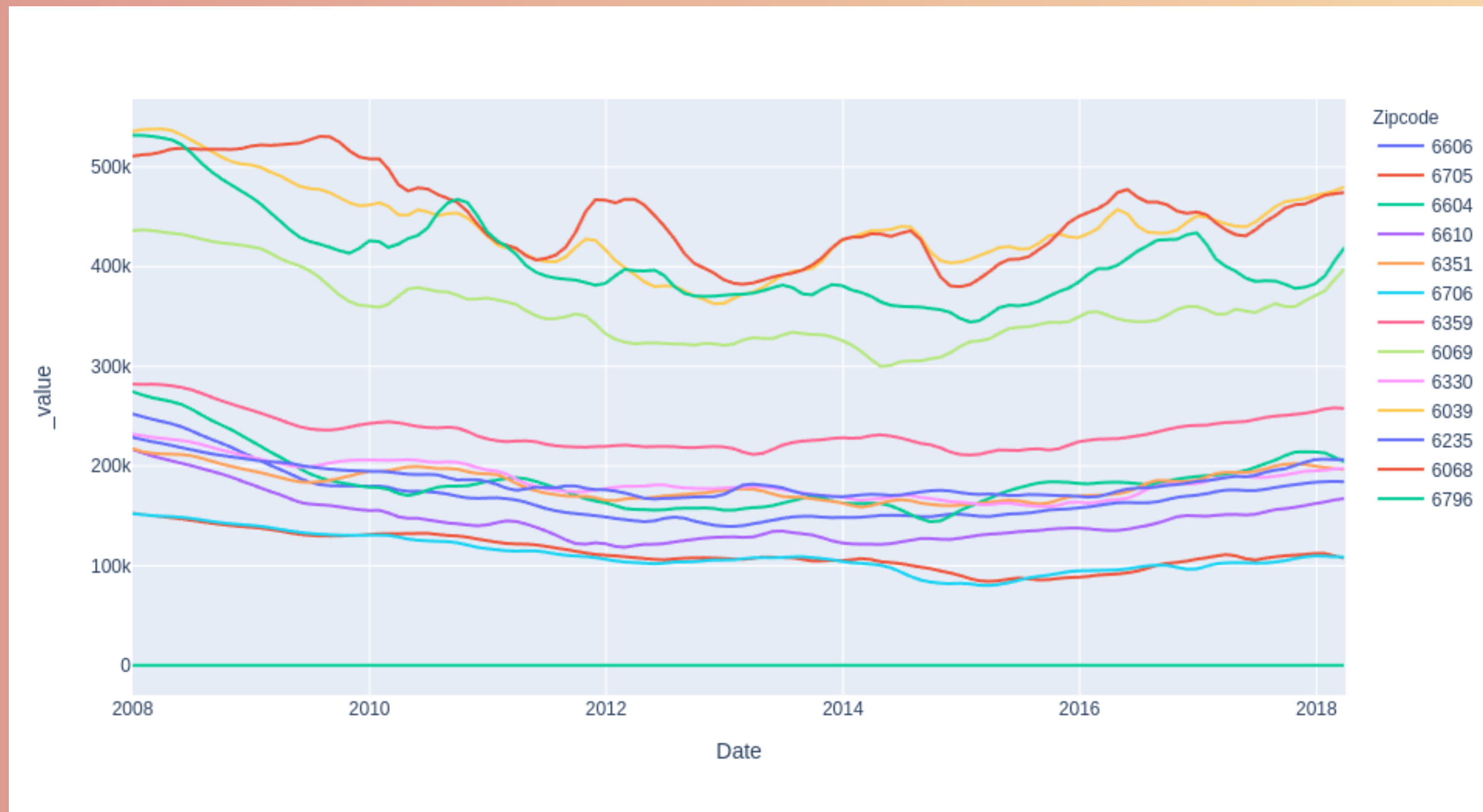
Top 10 Zipcodes
Highest Mean Value 2008-2018



TOP 13 ZIPCODES

(Top 10% of 124)

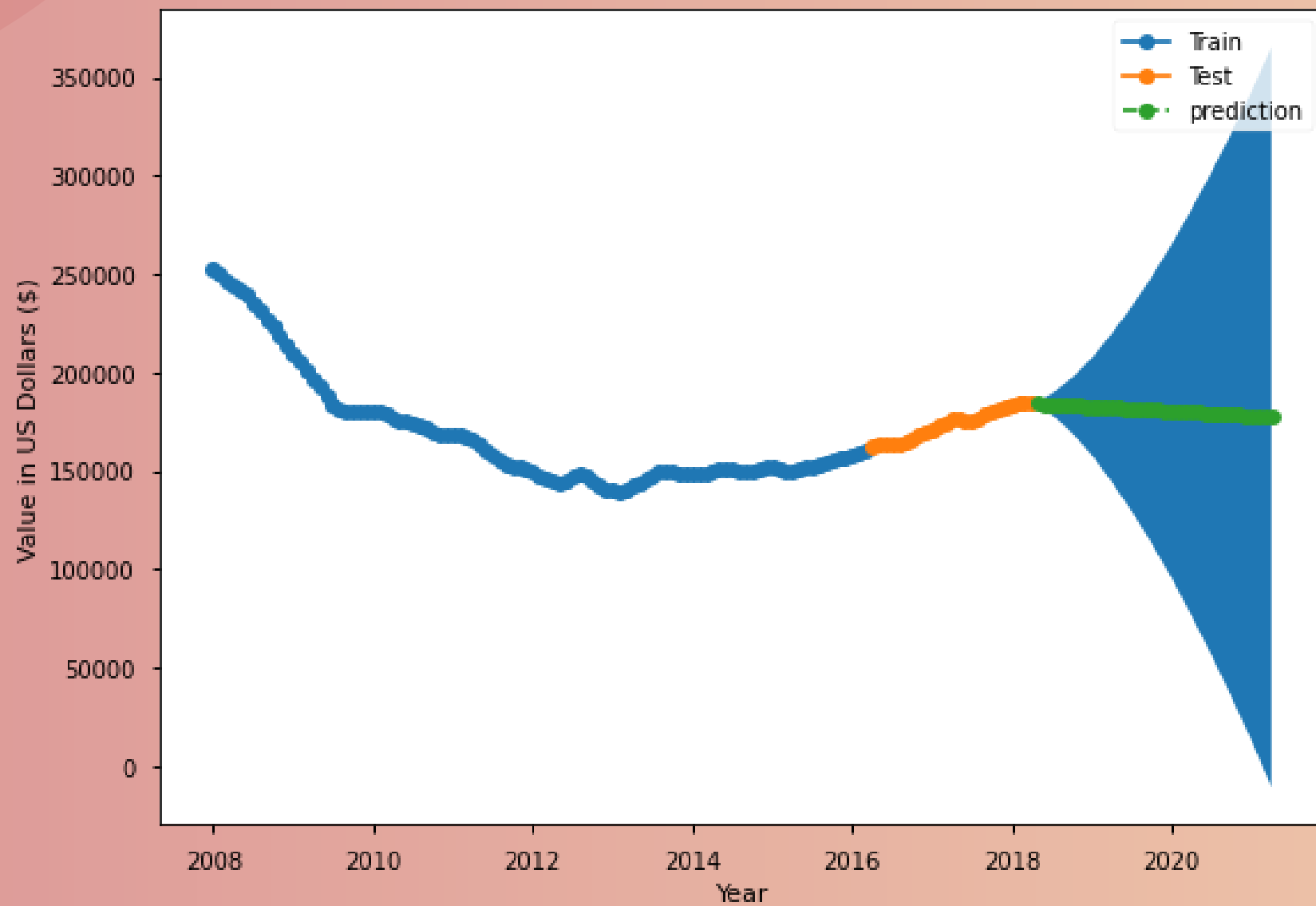
$$3 \text{ year ROI} = \frac{(2018 \text{ Price} - 2015 \text{ Price})}{2015 \text{ Price}}$$



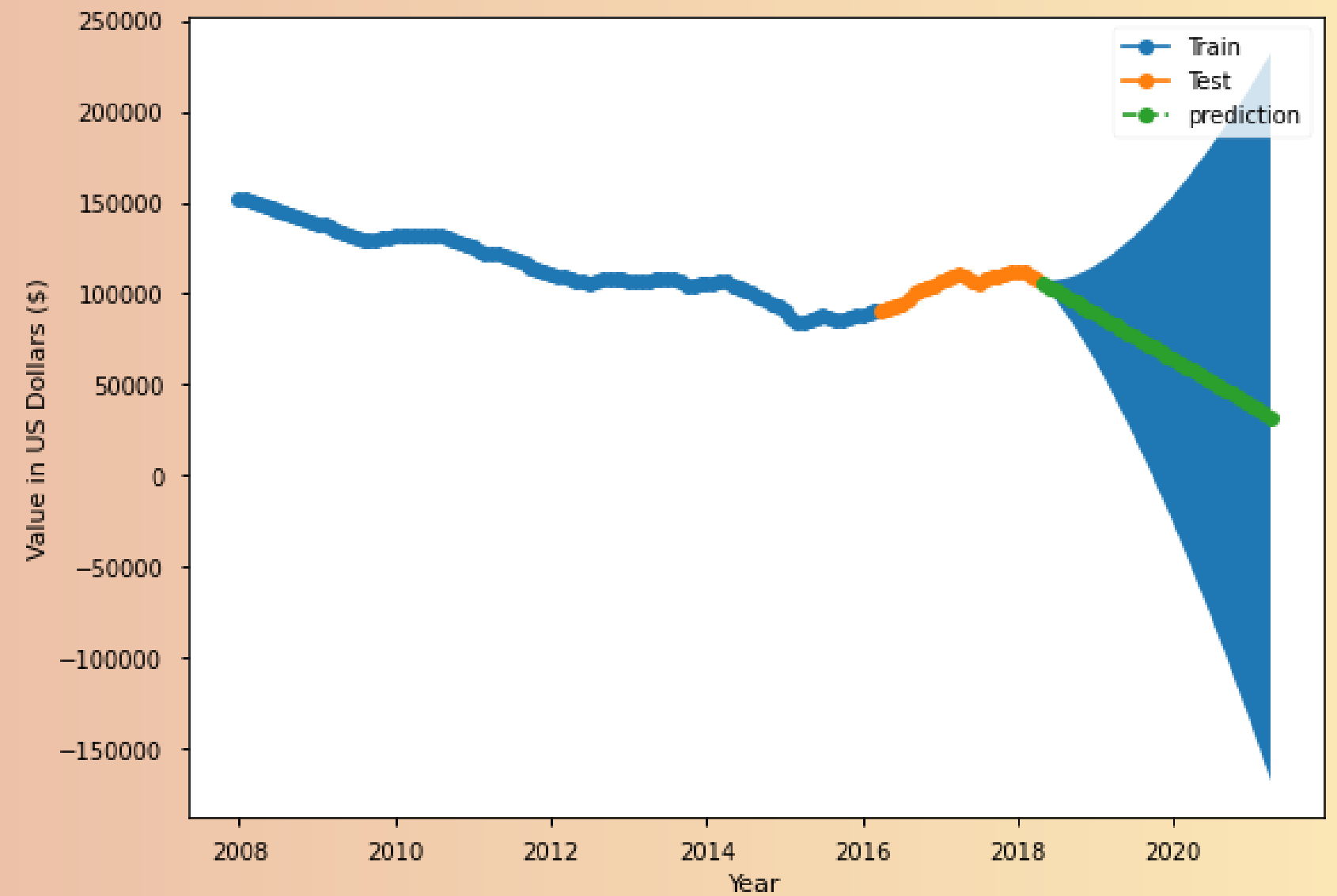
TIME SERIES MODEL FORECASTING

- For our top 13 zipcodes,
- From these, we will choose the top 5 zipcodes for our final recommendation.
- We are looking to select those zipcodes with an upwards prediction curve.

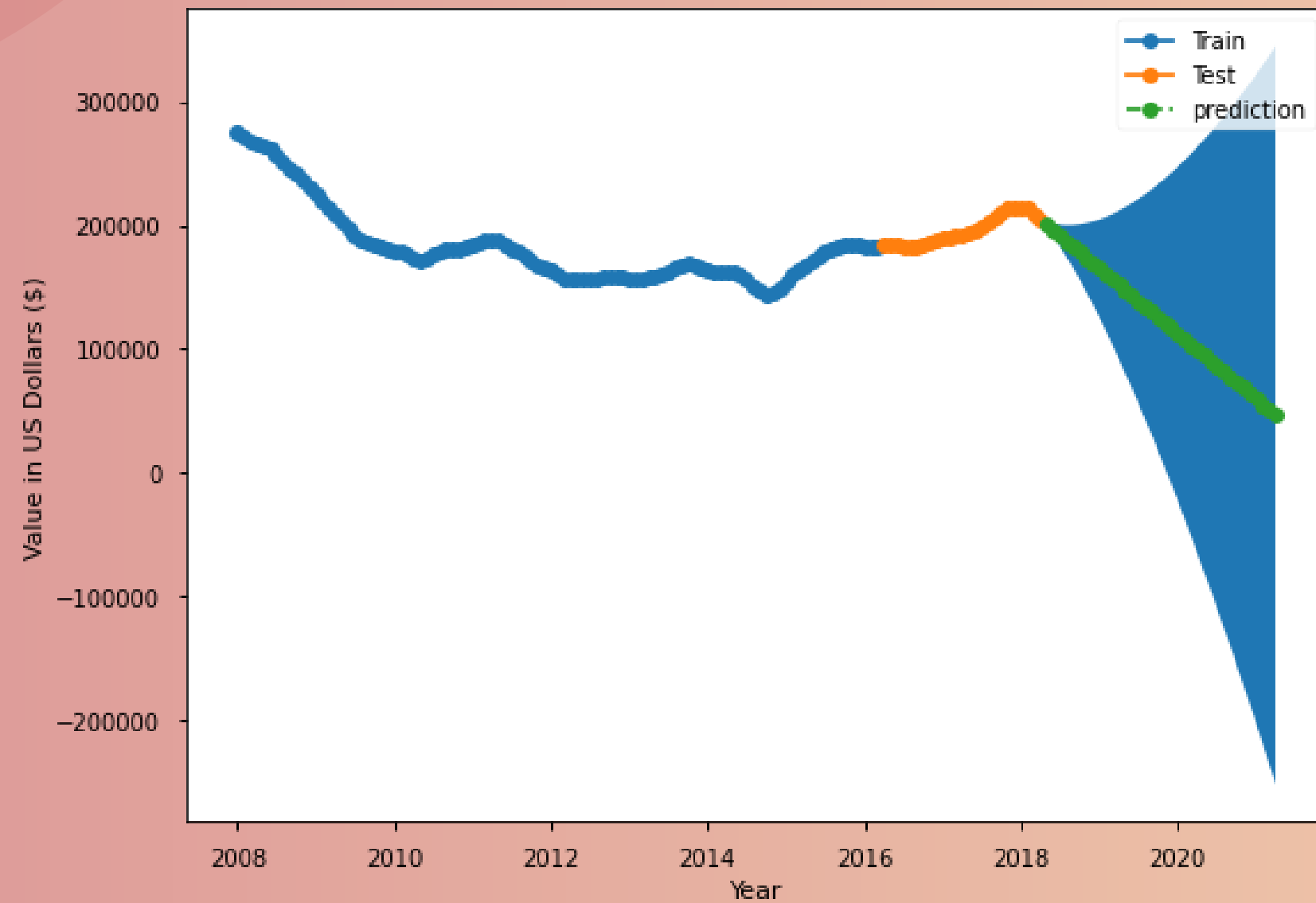
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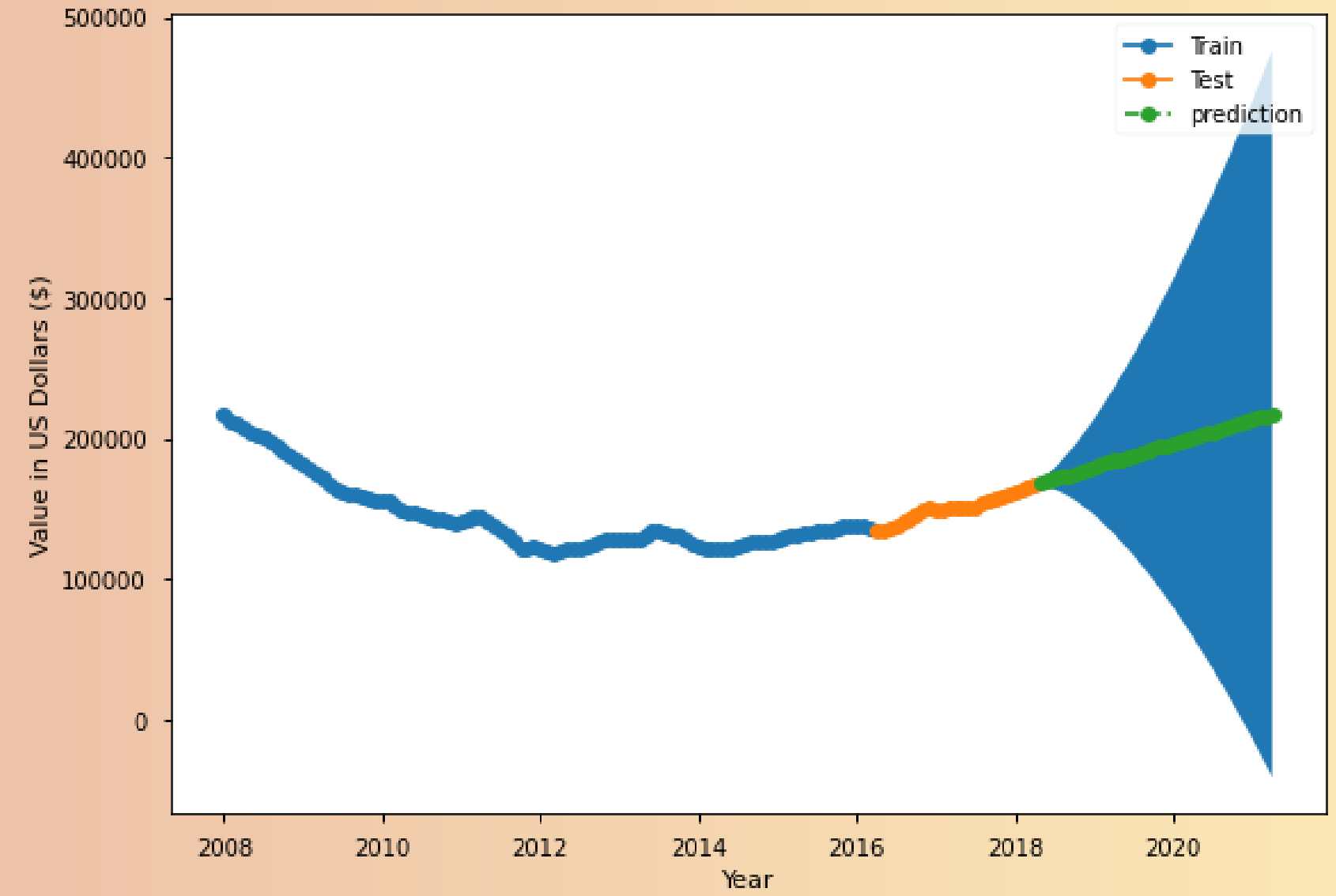
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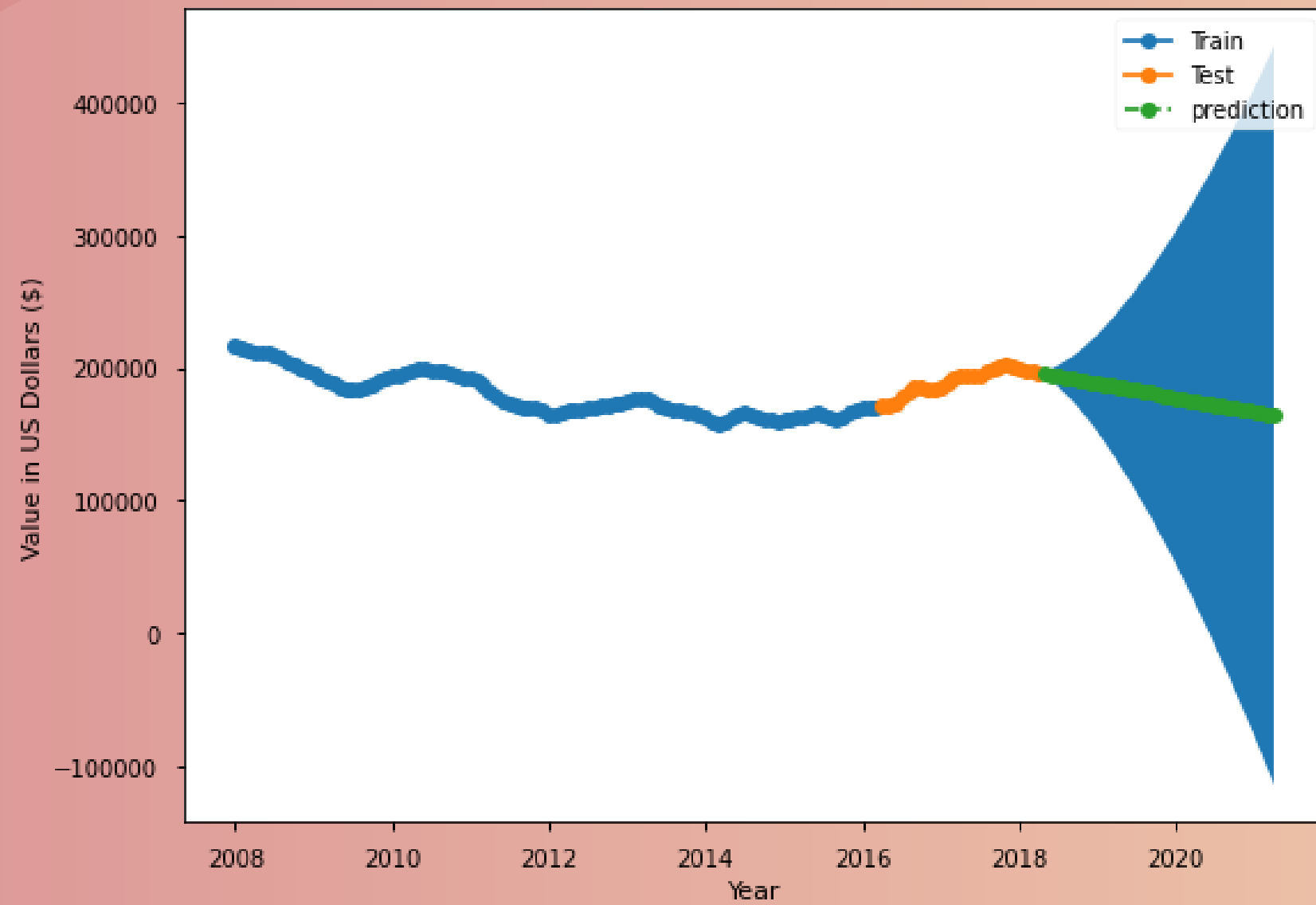
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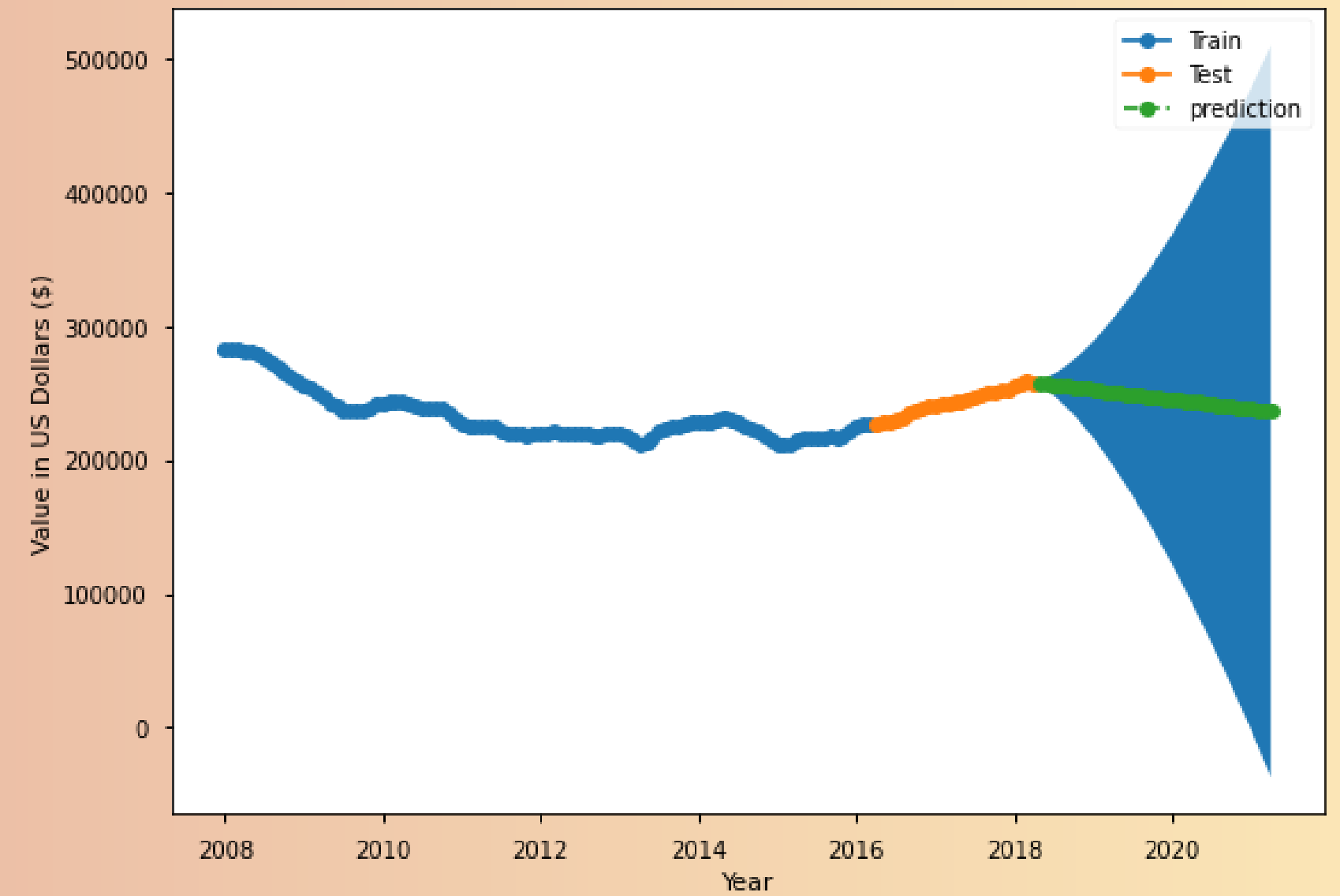
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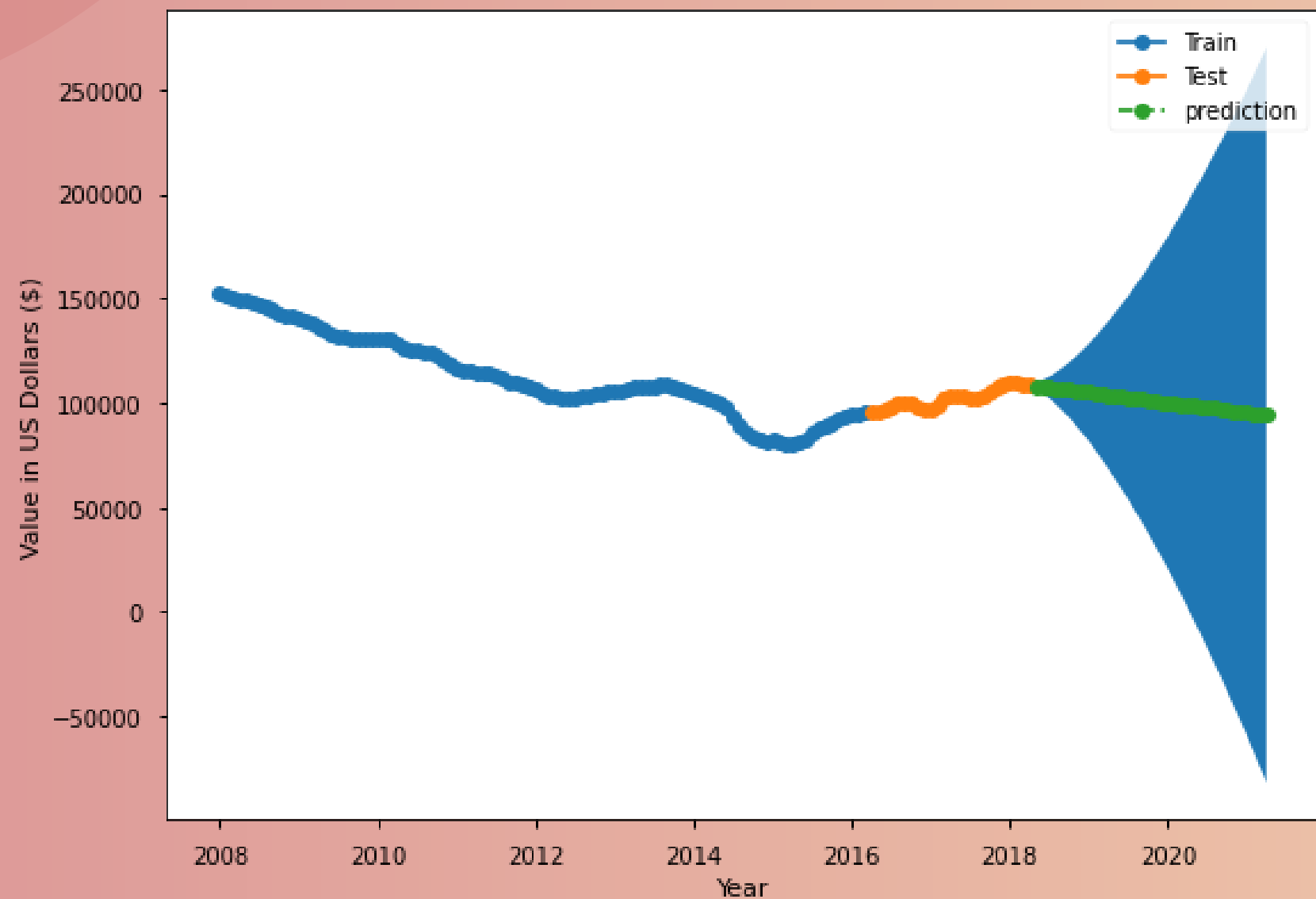
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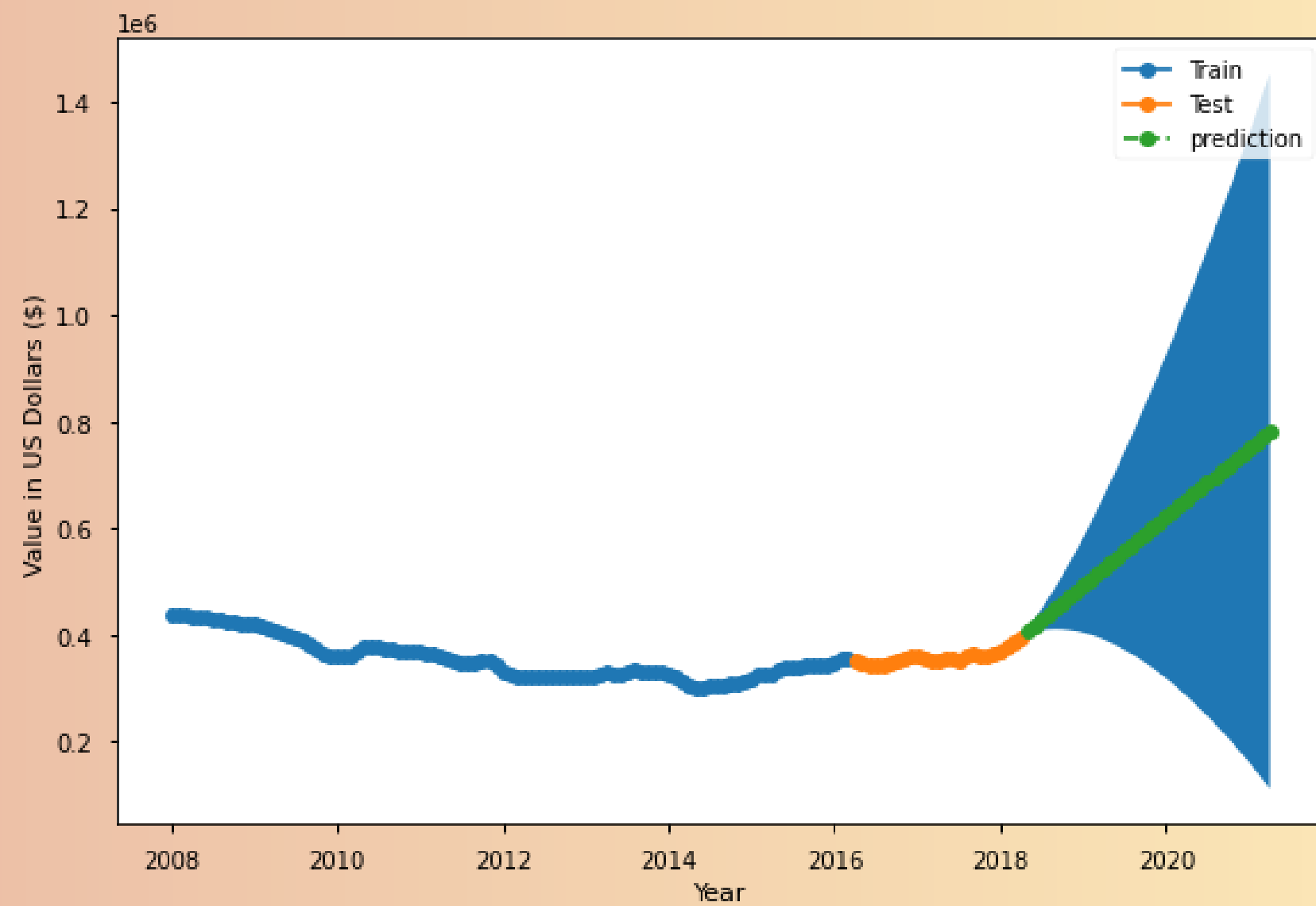
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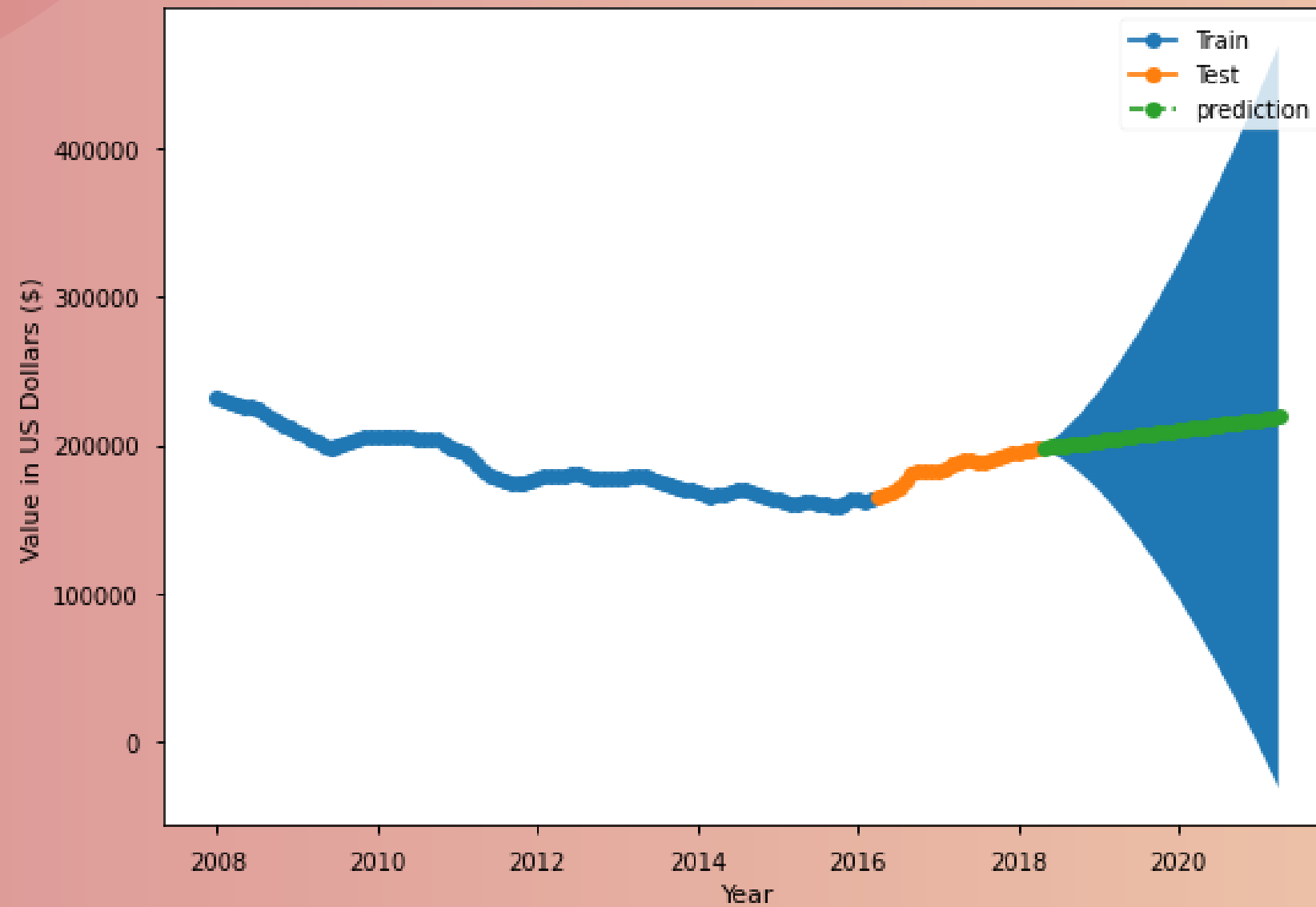
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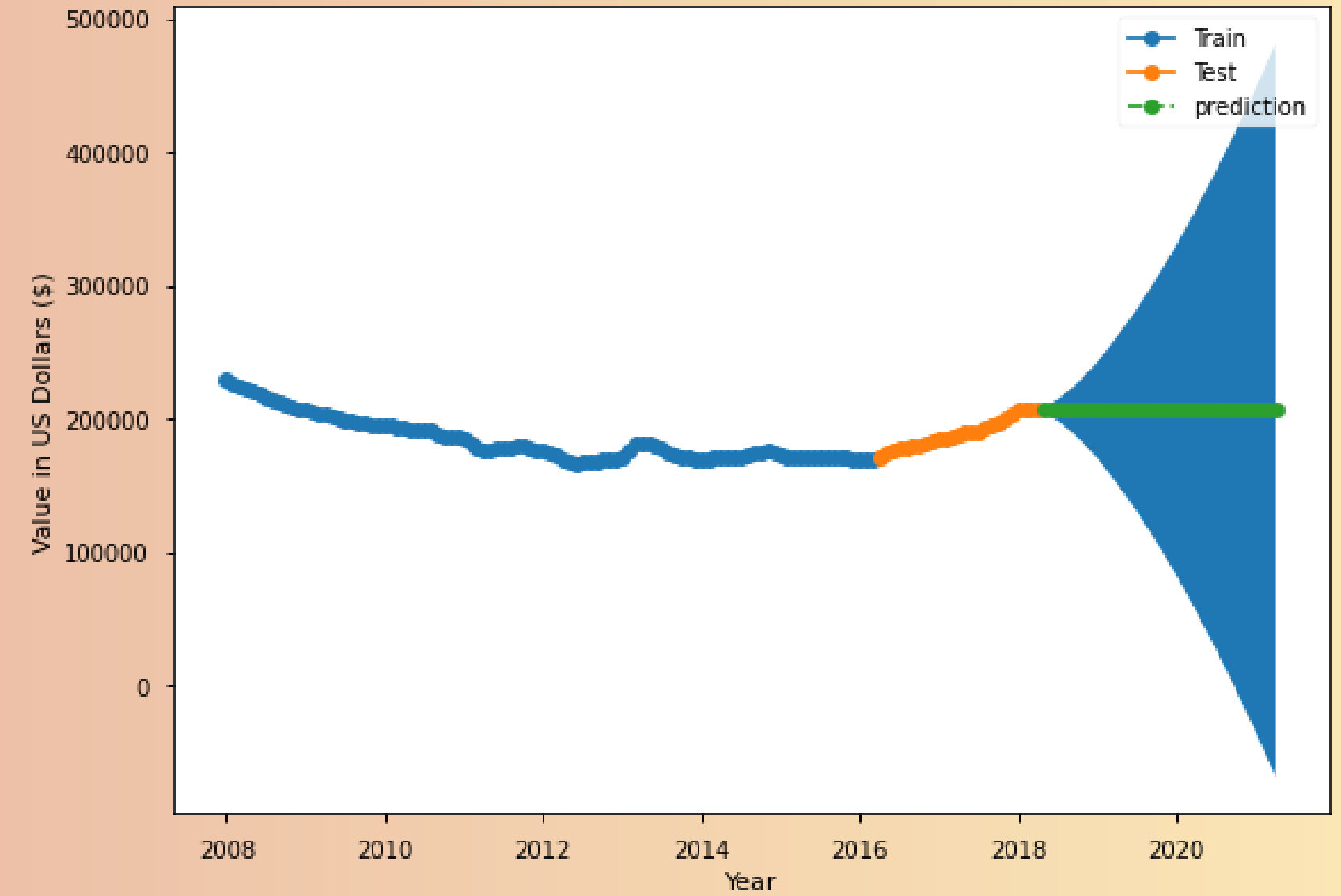
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6330

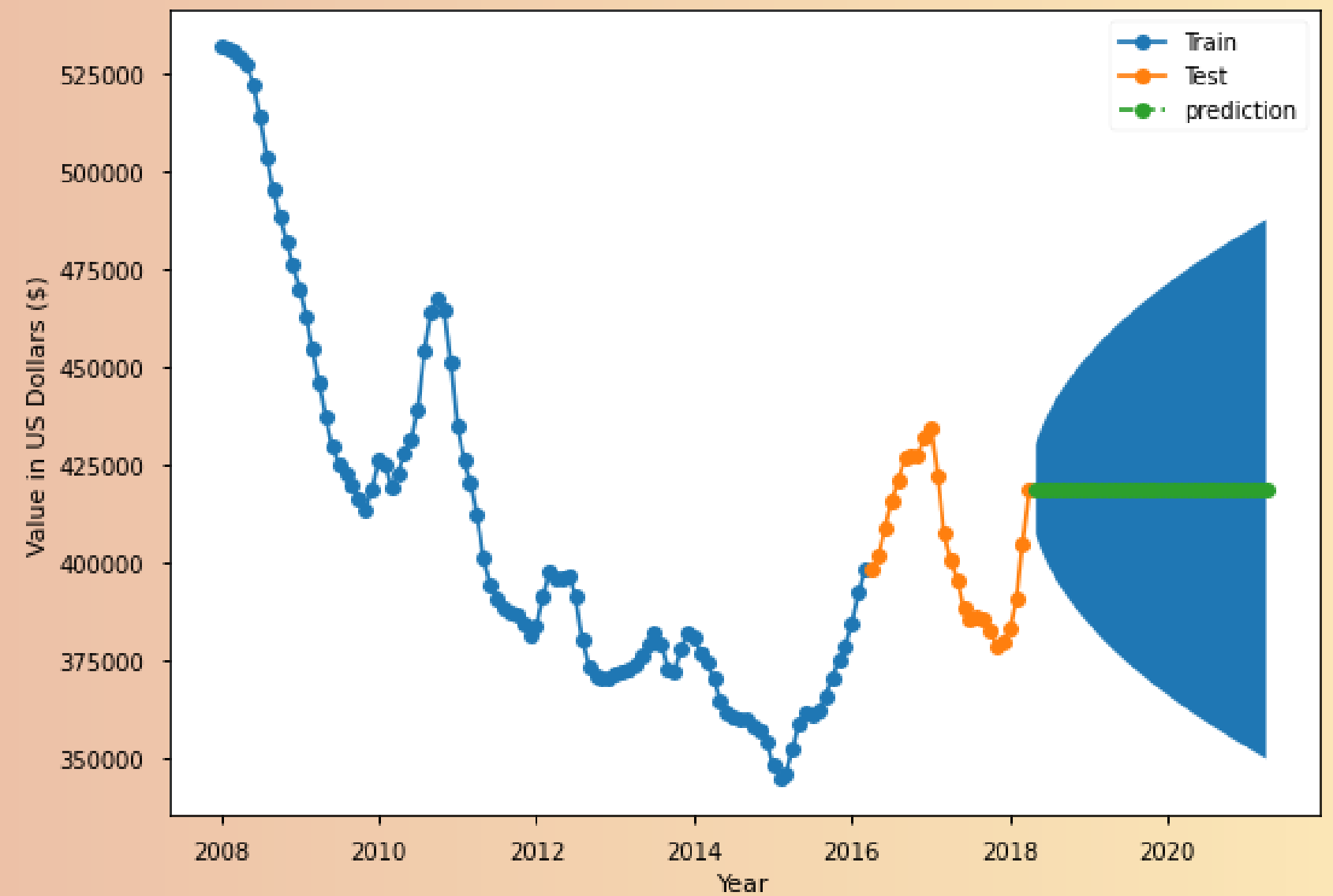
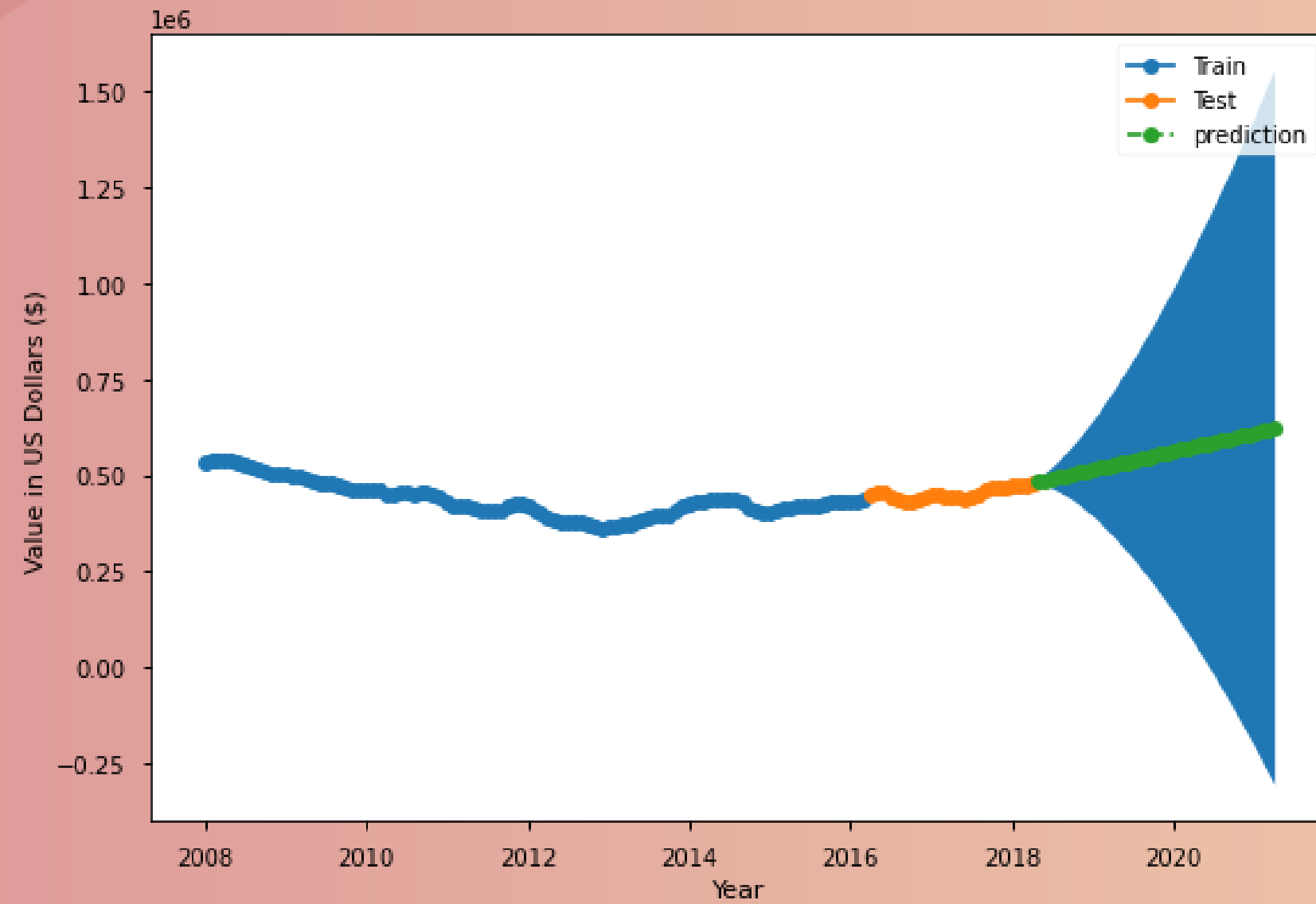


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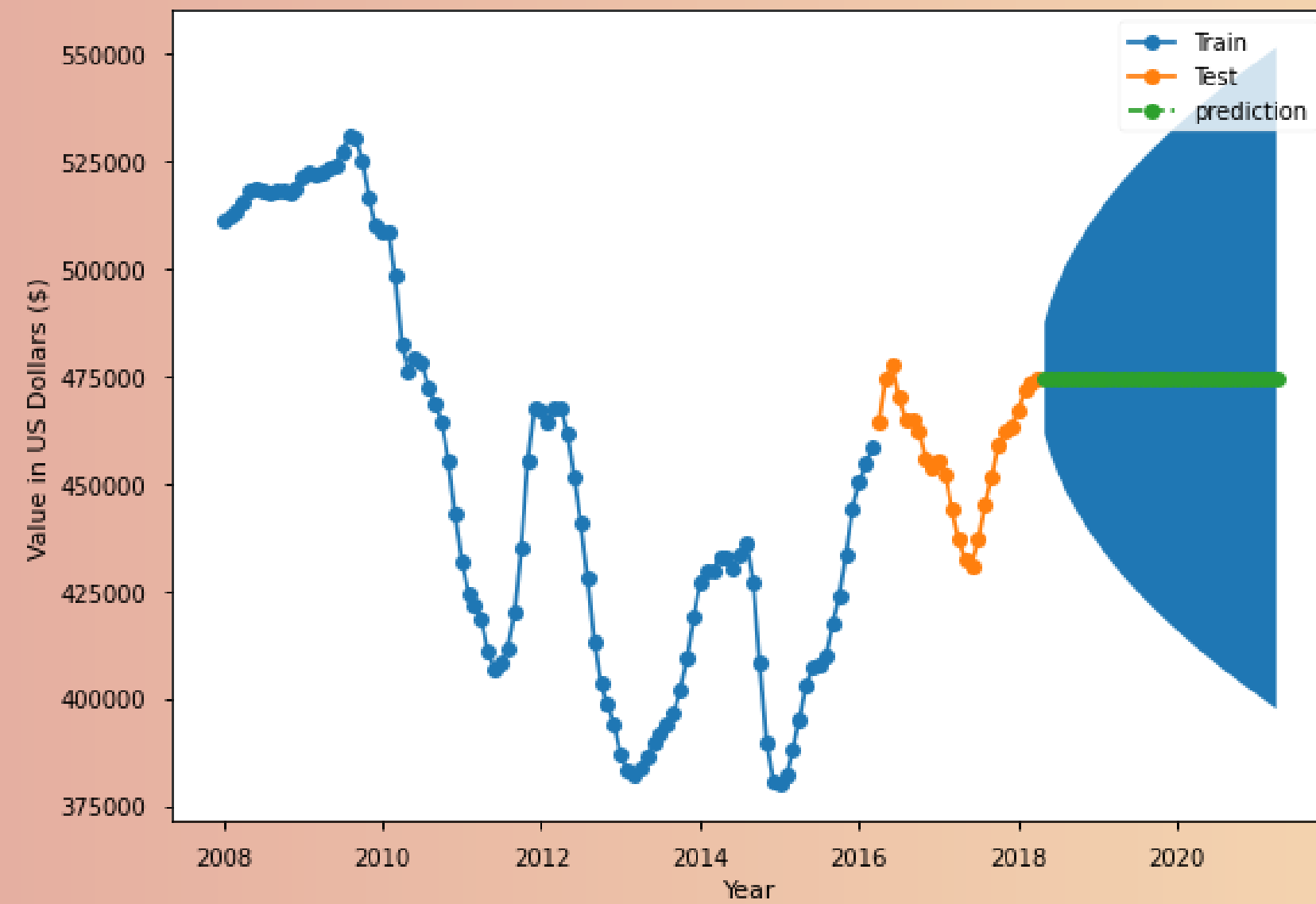


6039 ☒

6796 ☐



6068 ❌



RECOMMENDATION & FUTURE WORK



- Explore home values for other zipcodes in the North East Coast.
- Obtain current data, apply the model and compare results.

Thank You!