



King County Real Estate Group

Guiding King County Home Searches

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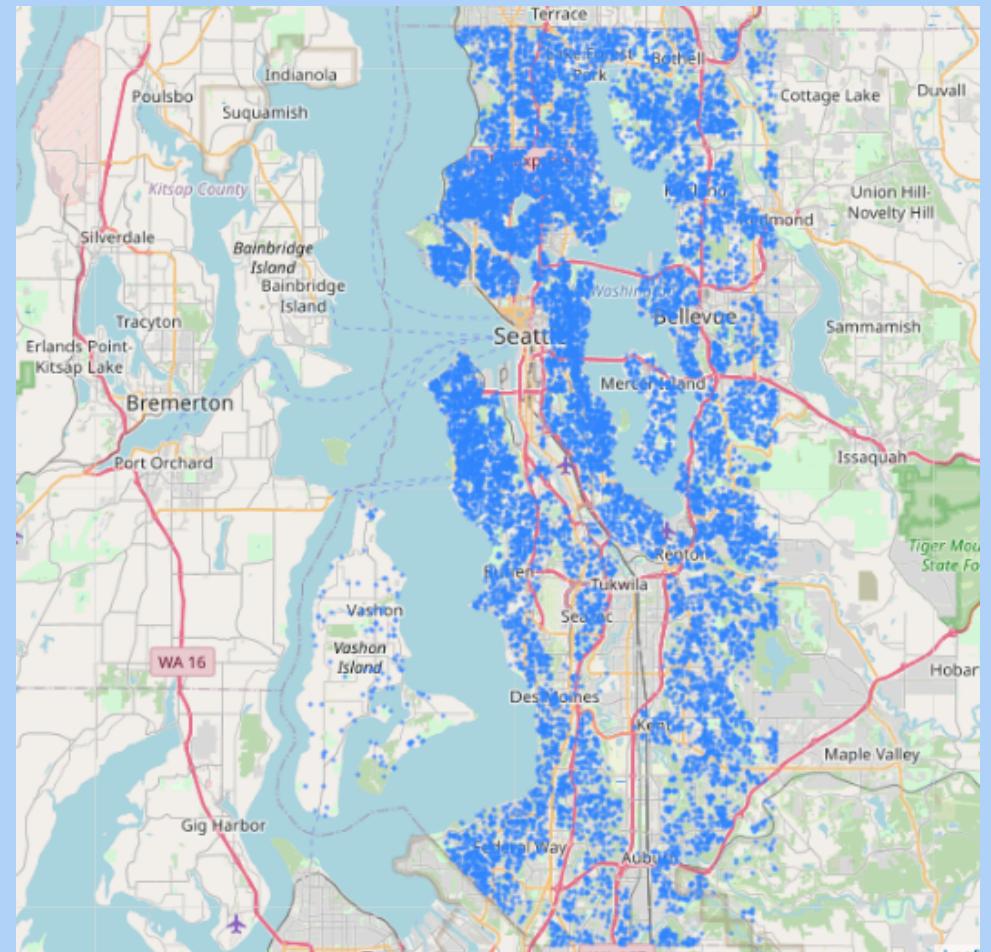
Agenda

- Introduction
- Modeling Considerations and Results
- Data Analysis
- Recommendations
- Next Steps and Future Work



Introduction

- COVID trends
 - Working from home and freedom to live away from an office
 - Extreme reduction in interest rates driving up amount of home purchases
- Model developed
 - Who: Buyers interested in a home in King County closer to Seattle
 - What: Guide buyers to King County areas of interest via zipcodes and an understanding of home features and quality to expect within their budget.





Modeling considerations for price estimates

Home Basics

Beds
Baths
Floors
Square Footage of Home
Square Footage of Lot
Waterfront
Basement
Renovation

Environment

Zipcode
Age

Home Ratings

Grade of home
Condition of home

Model Results/Predictions



Model can currently predict within \$91,000 of the sale price

Zipcodes

Home Features

Positive

98039: Medina
98004: Bellevue
98112: (Seattle: Mann, Central Area)
98102: (Seattle: Eastlake, Cascade)
98109: (Seattle: Westlake, Cascade)

Negative

98023/98001/98003/98002: Auburn
98032: Kent

Waterfront
Square Footage
Grade
Renovation
Condition

Data Analysis: Positive Versus Negative Zipcodes



Zipcodes are major drivers of sales price in this model, so analyzed data further based on comparing the top zipcodes that drove price up (positive zipcodes) versus those that drove price down (negative zipcodes)

- Same general specs (beyond age) but major contrast in price

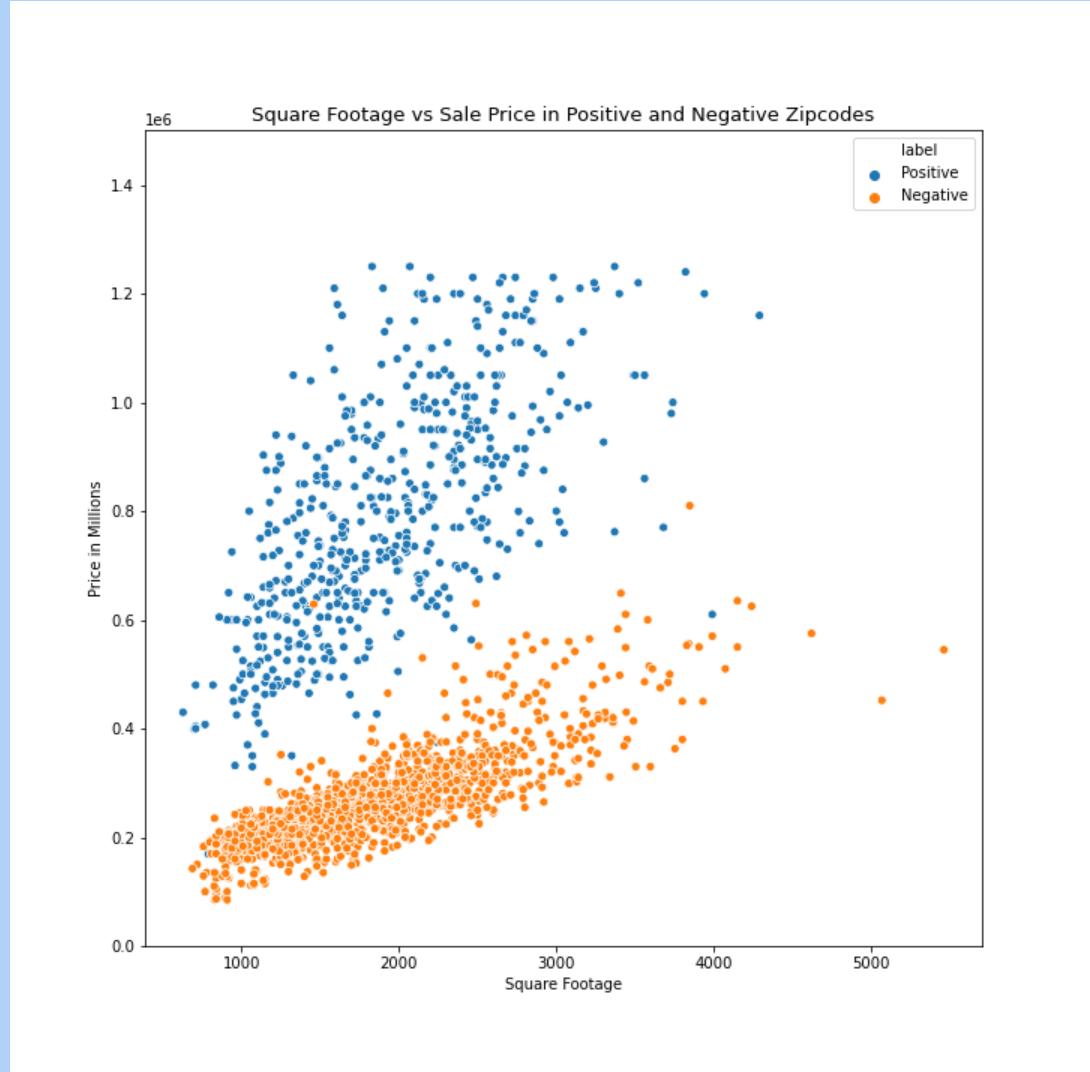
Zipcode Type	Median Price	Avg Age	Avg Grade (1-13)	Avg Condition (1-5)	Avg Bedrooms	Avg Full Baths
Negative	\$256,642	37 years	7	3	3	2
Positive	\$775,000	62 years	8	3	3	2

Data Analysis: Square Footage



Parallel paths with negative zipcodes sitting consistently below the prices for the positive ones

Positive zipcodes show a steeper slope showing they gain more in price with additional square footages than negative zipcodes.

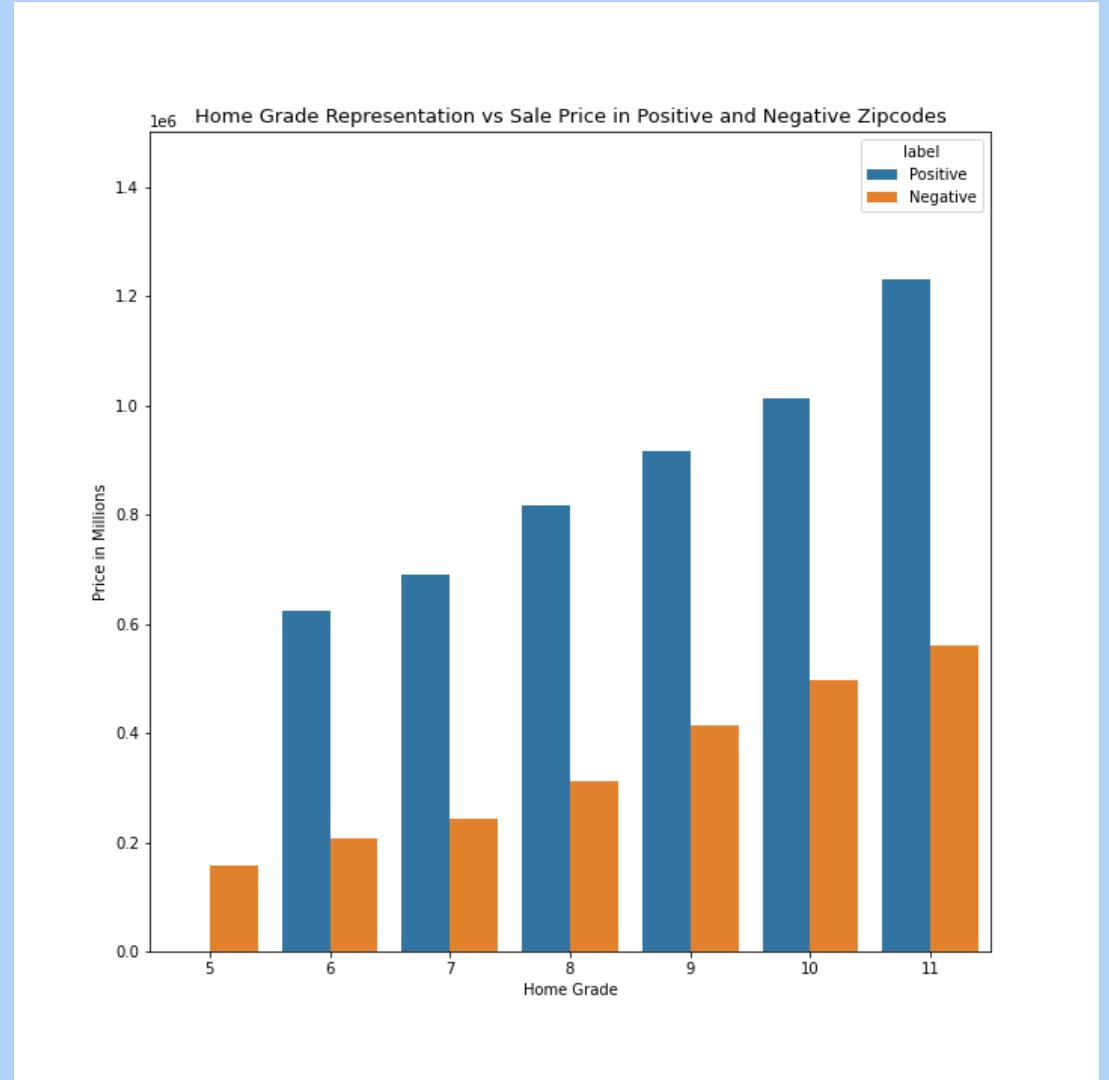


Data Analysis: Grade



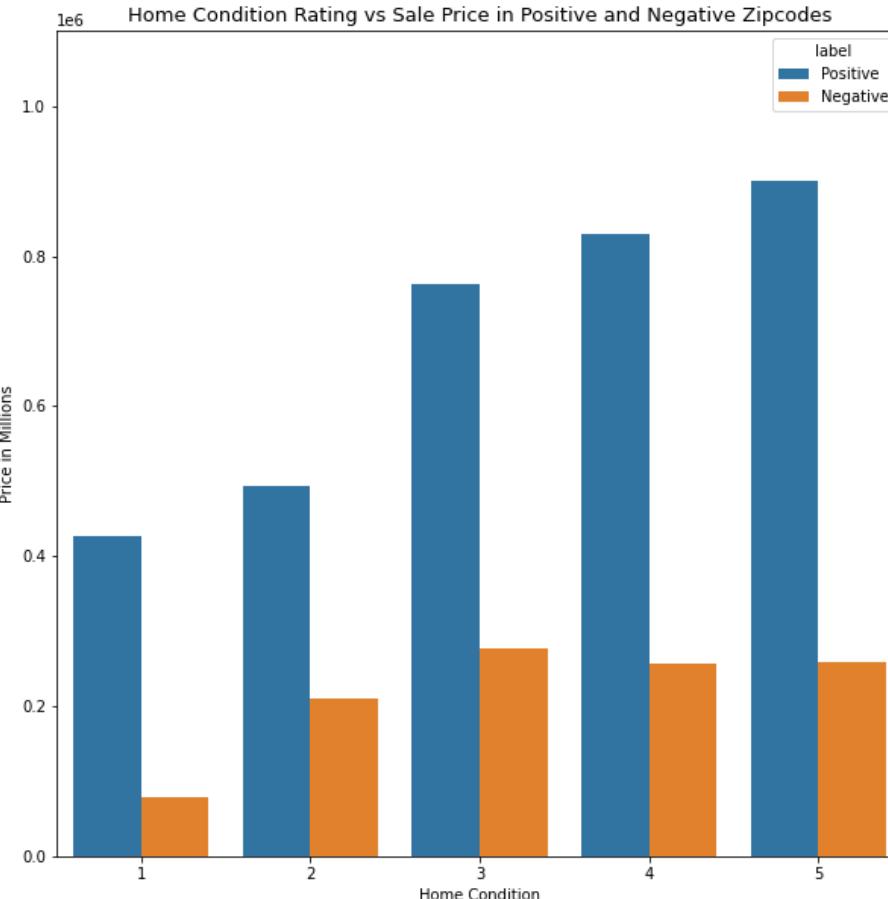
Positive – Negative Zipcode Gap:
 $\geq \$400,000$ USD

Positive zip homes are ~3x the price at similar grades versus negative





Data Analysis: Condition



Positive – Negative Zipcode Gap:
 $\geq \$300,000$ USD

Homes in negative zipcodes peak in price at a condition rating of 3 and taper off in ratings 4 and 5, while positive zip home prices trend upward consistently

Recommendations On Guiding Buyer Search



Guidance	Recommendation
If starting from scratch	98072: Woodinville (Northeast of Seattle, outside of city) 98027: Issaquah (far East of Seattle, outside of the city) 98118: Seattle (Seward Park, Ranier Valley)
If buyer has higher budget or area is highest priority	98039: Medina 98004: Bellevue 98112: (Seattle: Mann, Central Area) 98102: (Seattle: Eastlake, Cascade) 98109: (Seattle: Westlake, Cascade)
"Negative" Zipcodes	Address as buyer drives the conversation

Next Steps and Future Work



- Buyer Homework
 - Research the zipcodes that stood out and assess what matters to them personally
 - Budget refinement
- Additional Data Analysis
 - Research general factors that influence house price
 - Explore King County open data sources to add to this model for better accuracy (schools, walk/bike scores, crime rates)
 - Reassess in terms of data availability balance (positive versus negative zipcodes, waterfront)
 - Scaling data in future models



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Thank you for attending!