



# King County Real Estate Group

# Guiding King County Home Searches

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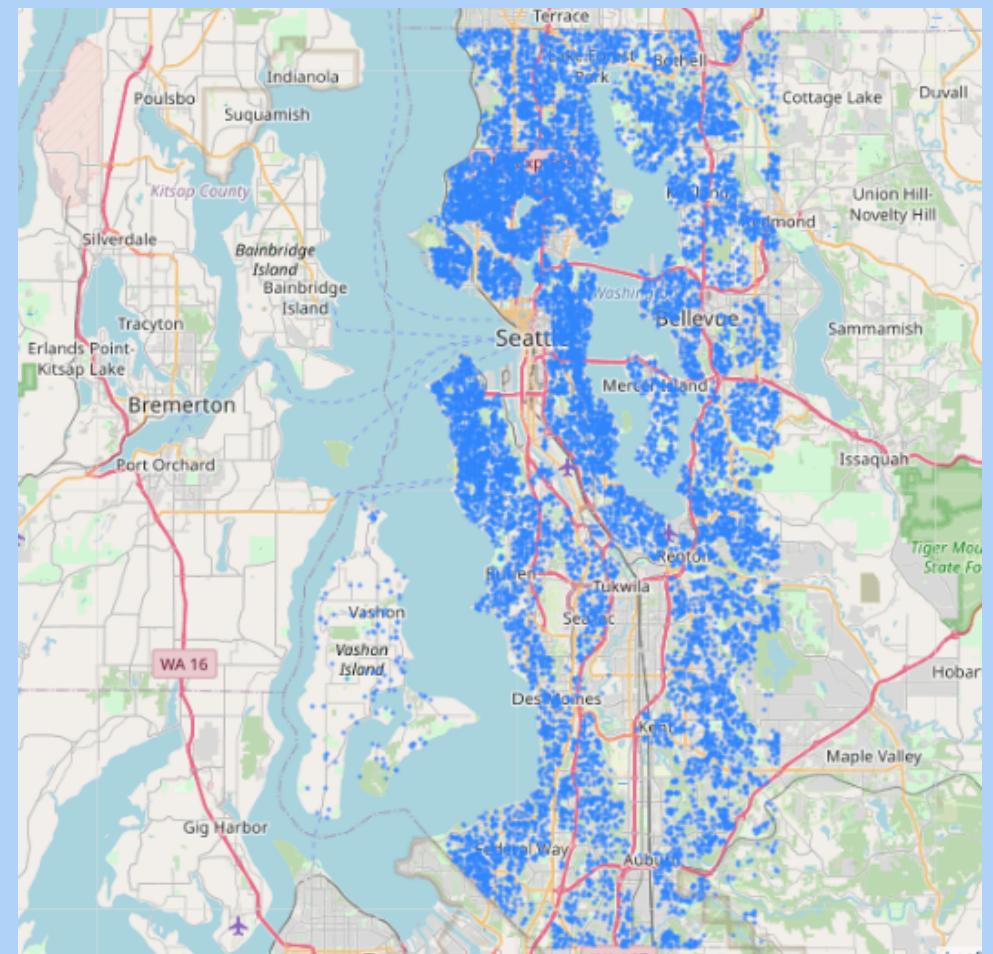
# Agenda

- 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 and 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

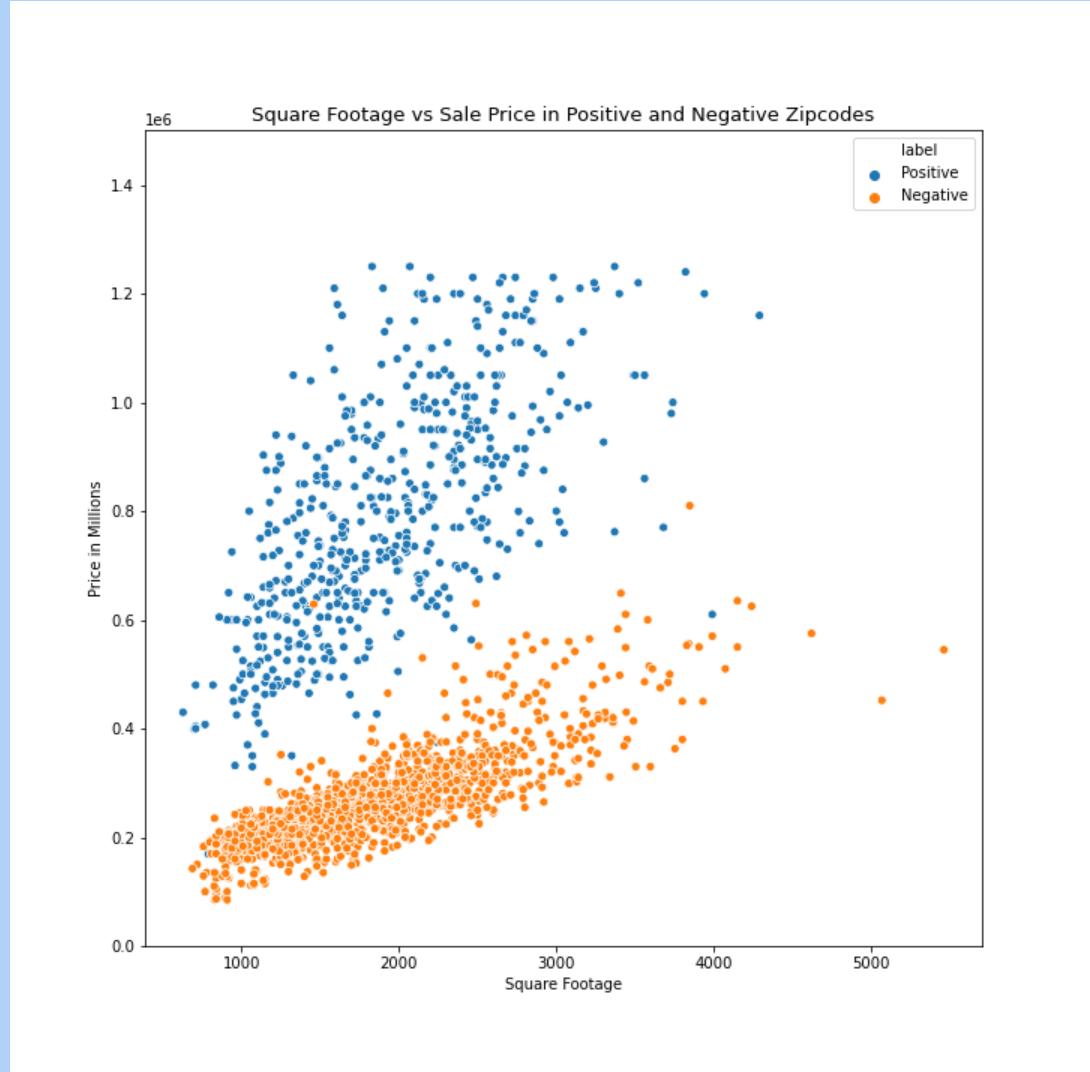
Zipcode Type	Median Price	Avg Age	Avg Grade (1-13)	Avg Condition (1-5)	Avg Bedrooms	Avg Full Baths
Negative	\$256,642	37 years	7	3	3	2
Positive	\$775,000	62 years	8	3	3	2

# 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.

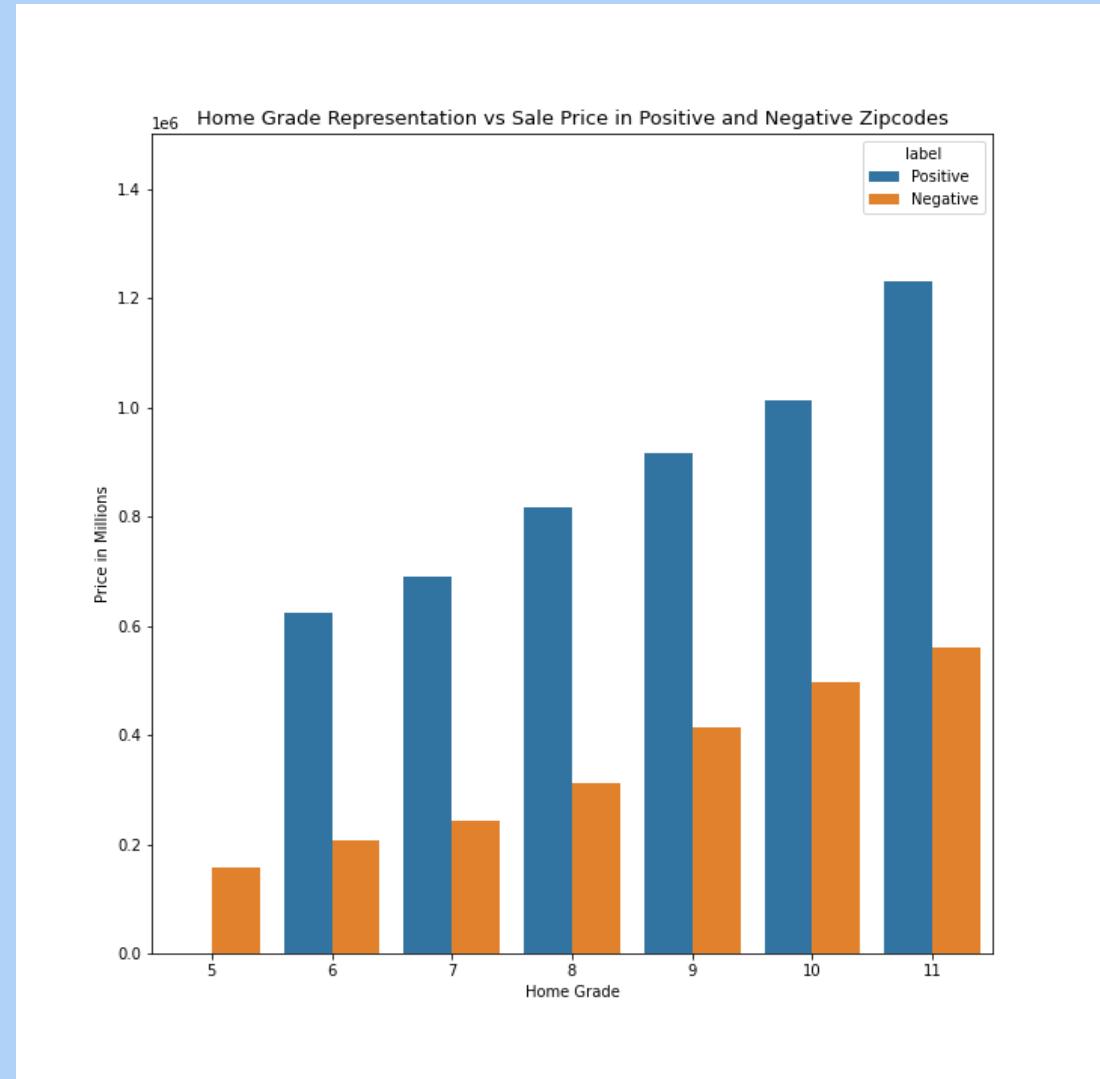


# Data Analysis: Grade



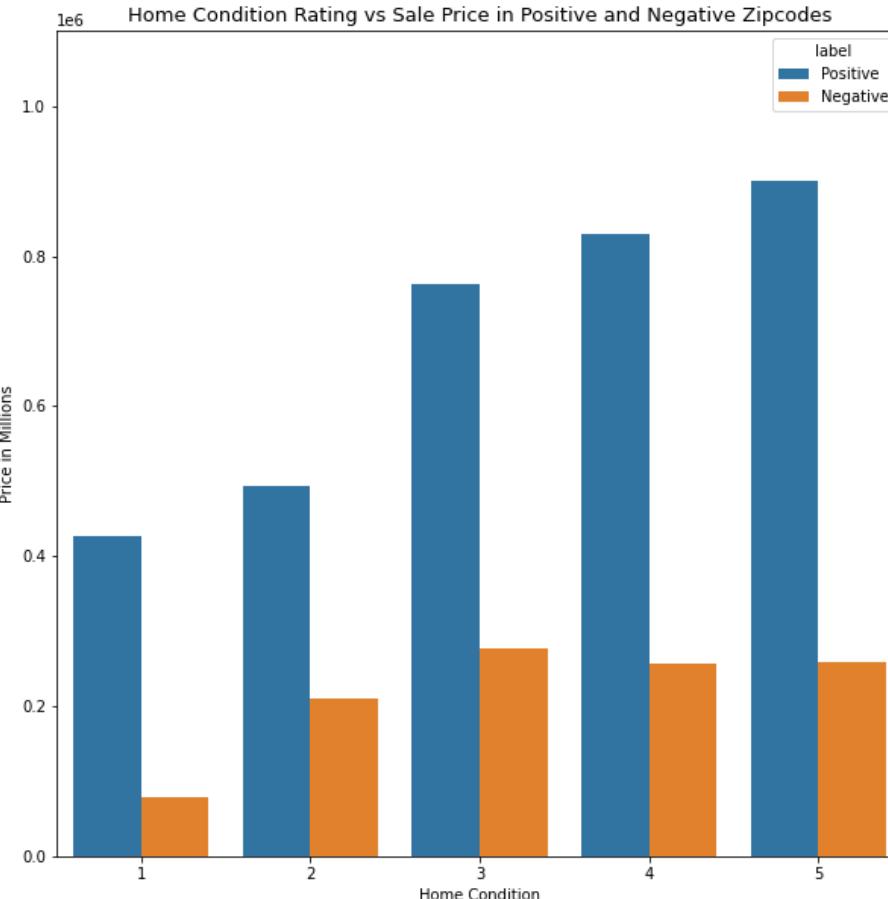
**Positive – Negative Zipcode Gap:**  
 $\geq \$400,000$

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





# Data Analysis: Condition



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

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 (East of Seattle, outside of the city) 98118: Seattle (Seward Park, Rainier 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 Modeling and 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)



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**Thank you for attending!**