

# Five Zip Codes In Which to Invest in the Real Estate Market

Module 4 Final Project

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# Methodology:

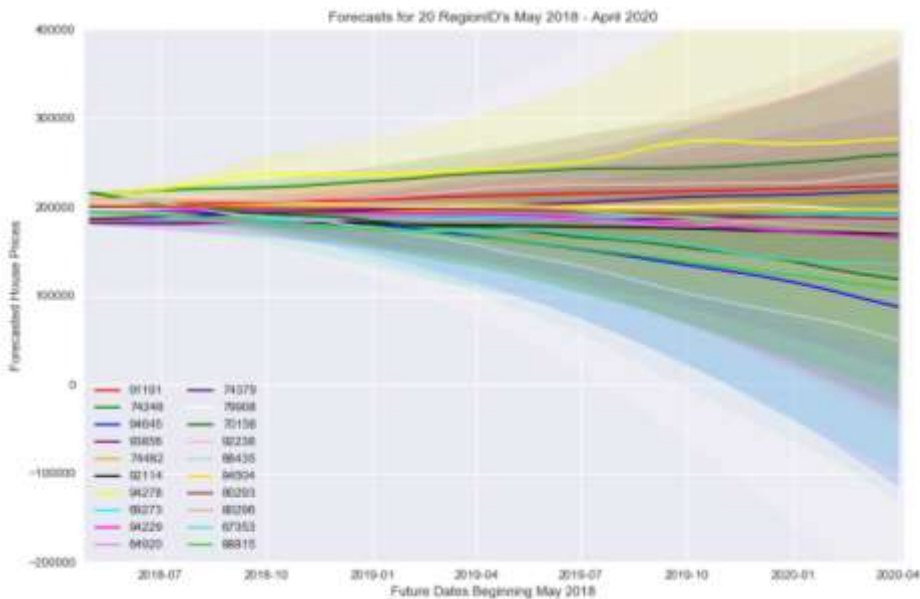
## Prioritizing the Safe Bet Over the ROI

- Finding the best model to describe the data
- Choosing a selection of records to look at more closely
- Further refining the selection down to 20 that fit best
- A final prediction to determine the top five based on losing the least of the investment

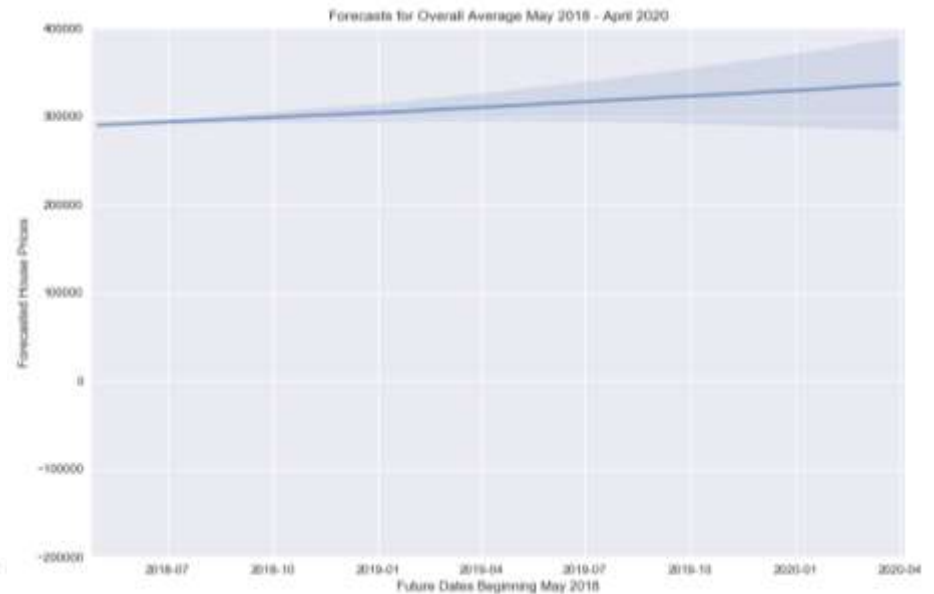


# House prices in the select 20 regions from 2018 to 2020

## Select 20 Predictions



## Overall Average's Prediction



# Where Are The Top Five Regions?

| The cities chosen are: | Forecasted % Change: |
|------------------------|----------------------|
| 1. Arlington, TX       | +12.1%               |
| 2. High Point, NC      | +4.9%                |
| 3. Nashville, TN       | +21.4%               |
| 4. Brenham, TX         | -7.6%                |
| 5. Chattanooga, TN     | +17.6%               |

Data for Top Five with Forecasts until April 2020



# Future Work

- Other factors that can affect an investment were not taken into account: i.e. risks of natural disasters, changes in building codes, and county infrastructure improvements
- A model using proximity to other regions, perhaps predicting gentrification trends and urbanization, where rental properties become available for purchase or vice versa

# Lessons Learned

- More processing power is needed to determine errors and run a more precise model
- Alternatively, it may be worthwhile to use different selection criteria before doing any modeling or predicting

# Thank You

Questions or comments accepted by email or through  
Github repo: [bronwenc/Module-4-Project](#)