### Twin Cities Real Estate Investment Analysis

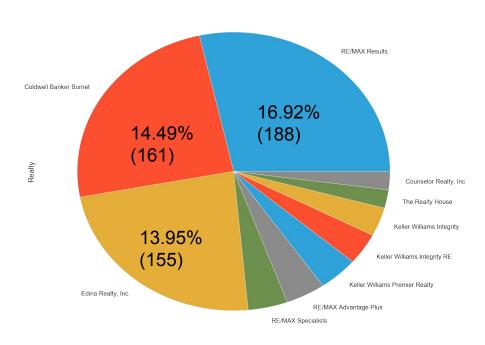
Kelly Chou

### Questions

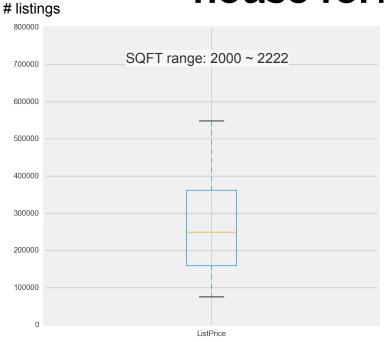
- Who should we partner with?
- How much should we sell the house for?
- Which features are more important?
- Which district should we invest in?
- How would population affect listing?

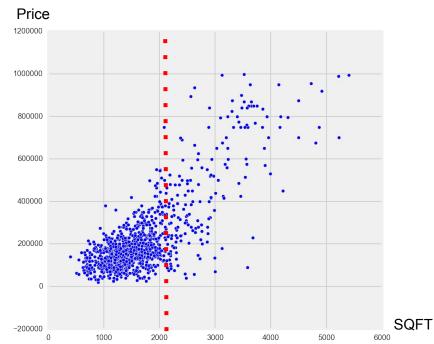
### Who should we partner with?

top 10 best selling



How much should we sell the house for?





## How much should we sell the house for?

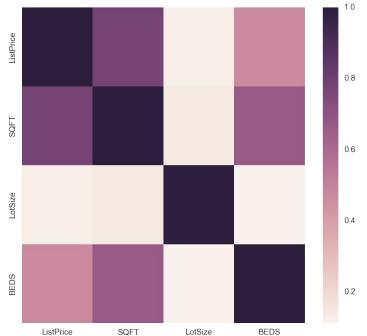
**2111** sqft  $\rightarrow$  \$302,947

- Linear regression
- With 95% certainty that this is the mean price
- Goodness of fit: 0.6184 R^2

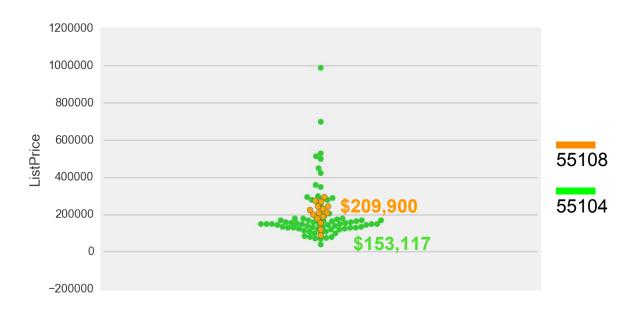
Which Features are more important?

#### SQFT > BEDS

• LotSize is not important



# Which district should we invest in?



## Which district should we invest in?

#### **Circle Pines**

- Great for retirement. More home owners than renters
- Rich retirees
- Less demand

#### **Saint Paul**

- More businesses, schools, higher population, and higher demand
- Working young professional
- Higher ROI for huge quantity → Invest!

How would population affect listing?

| TIP | Population 2010 Census | Number of Houses | #10

#listings / person.

**Top 10** 

|    | ZIP   | Population_2010_Census | NumberofHouses | #ListingPerPop |
|----|-------|------------------------|----------------|----------------|
| 25 | 55412 | 22148                  | 107            | 0.004831       |
| 5  | 55106 | 52730                  | 133            | 0.002522       |
| 23 | 55410 | 19340                  | 46             | 0.002378       |
| 28 | 55417 | 24875                  | 59             | 0.002372       |
| 19 | 55406 | 32112                  | 72             | 0.002242       |
| 6  | 55107 | 14776                  | 31             | 0.002098       |
| 30 | 55419 | 26406                  | 55             | 0.002083       |
| 3  | 55104 | 43248                  | 78             | 0.001804       |
| 10 | 55116 | 23851                  | 43             | 0.001803       |
| 4  | 55105 | 28455                  | 50             | 0.001757       |

# How would population affect listing?

#### 55114

- Highest price per capita
- Low housing supply
- Low population
- Seems like an industrial area

|    | ZIP   | Population_2010_Census | ListPrice | price_per_cap |
|----|-------|------------------------|-----------|---------------|
| 9  | 55114 | 3100                   | 150000    | 48.387097     |
| 18 | 55405 | 15411                  | 699725    | 45.404257     |
| 22 | 55409 | 11615                  | 368383    | 31.716143     |
| 23 | 55410 | 19340                  | 569423    | 29.442761     |
| 27 | 55416 | 29027                  | 548450    | 18.894478     |
| 14 | 55126 | 25140                  | 464400    | 18.472554     |

### Thank you