Pie chart analysis – count of sales by year built

Another one of the factors that our team looked at to determine the key drivers of home sales in Philadelphia was the year built. After breaking out the year built into 20-year bins, our time created a pie chart to compare the breakout of home sales between them.

Chart, pie chart

Description automatically generated

As indicated by the pie, the vast majority of home sales were for homes that were built between 1920 and 1939. About half of all home sales between 2016 and 2020 were for homes that were 80 – 100 years old. This could indicate that there has been a higher demand for these types of homes as opposed to homes built during different time periods. If there is higher demand, the most basic economic principles tell us that prices should be higher as well. When looking at this chart in a vacuum that would be a reasonable conclusion, but it is clear from other analyses in this dataset that there are actually many factors at play in determining house prices. Likely an interaction amongst several of the characteristics analyzed as part of this dataset would allow for a more accurate prediction of what house prices should be.