Best Real Estate Zip Codes

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Business Problem

- Vergara Investment LLC, an asset management firm, has tasked us with finding the best five US zip codes to invest in real estate.

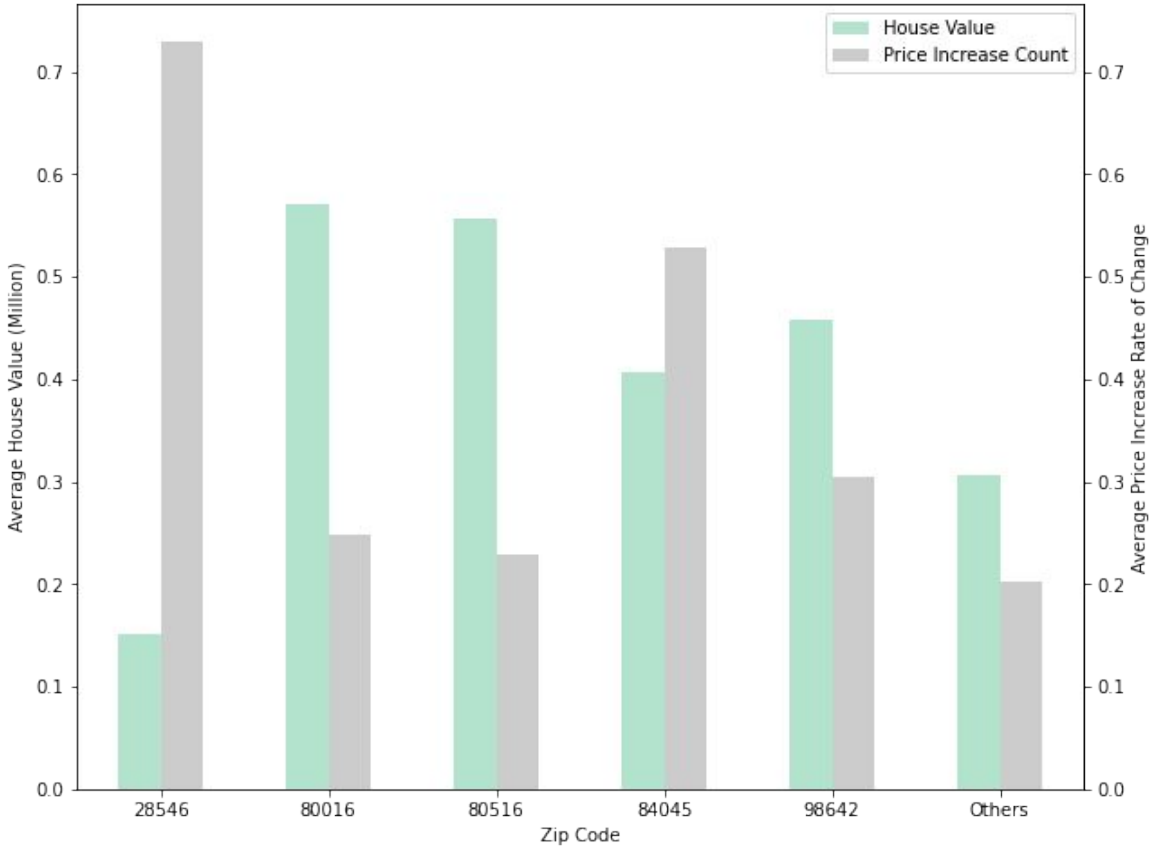
Data

- Over 30,000 zip codes from the Zillow Home Value Index database.
- Additional data from Realtor.com

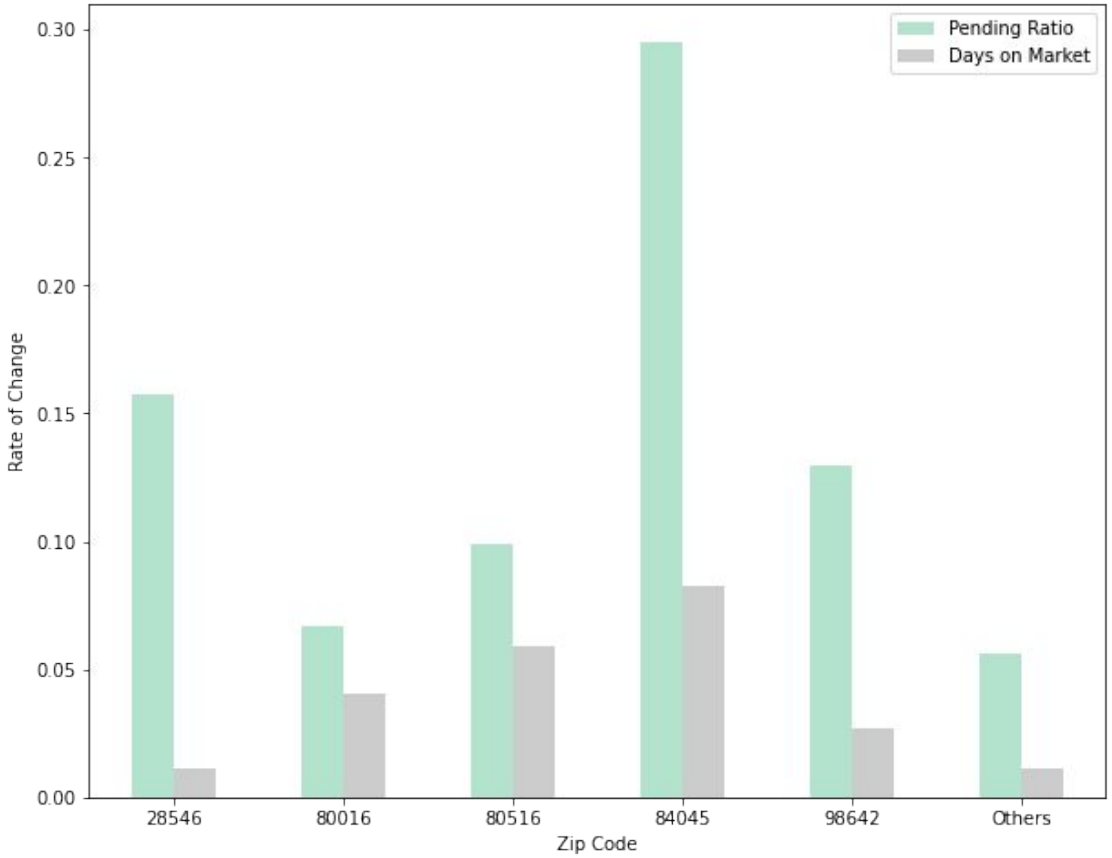
Top 5 Zip Codes

Zip Code	City	State	Current Price	Expected 2026 Price	Expected 5 yr. ROI
84045	Saratoga Springs	UT	$ 551,641	$ 772,606	40.1%
98642	Ridgefield	WA	$ 566,110	$ 655,206	15.8%
28546	Jacksonville	NC	$ 178,594	$ 226,293	26.7%
80016	Aurora	CO	$ 303,145	$ 439,270	44.9%
80516	Erie	CO	$ 664,721	$ 750,797	13.0%

Housing Characteristics

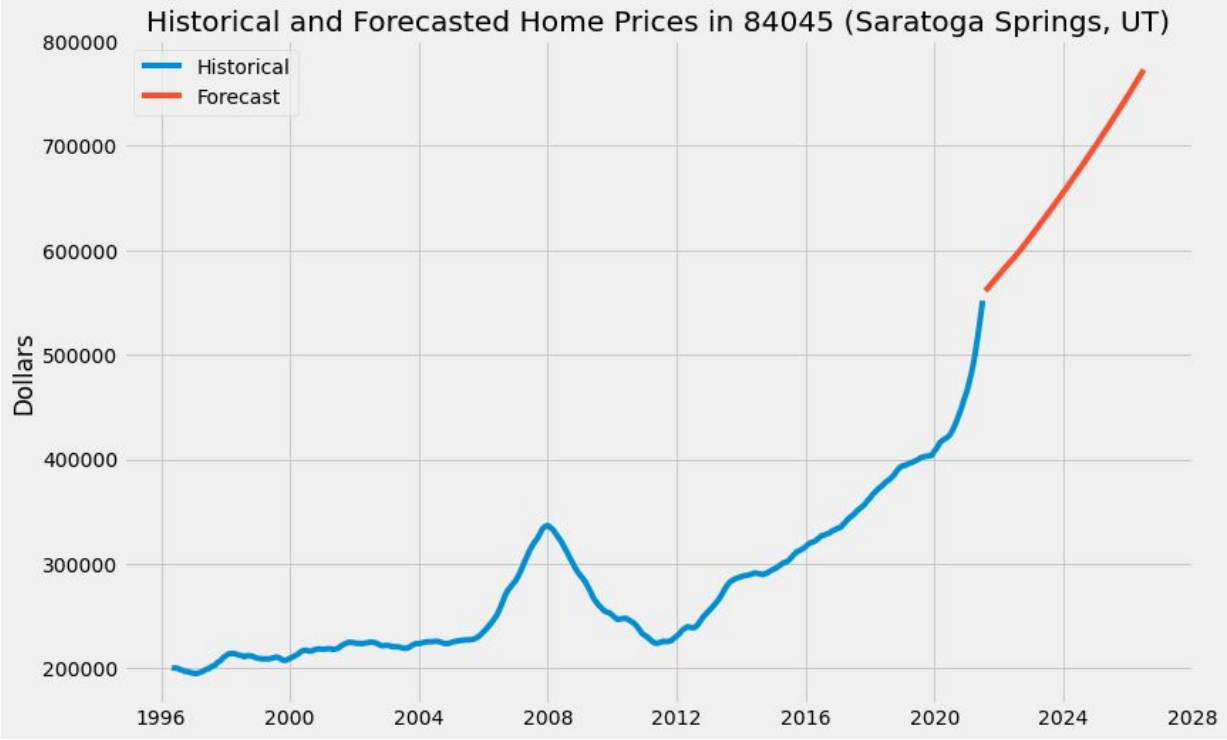


Market Characteristics



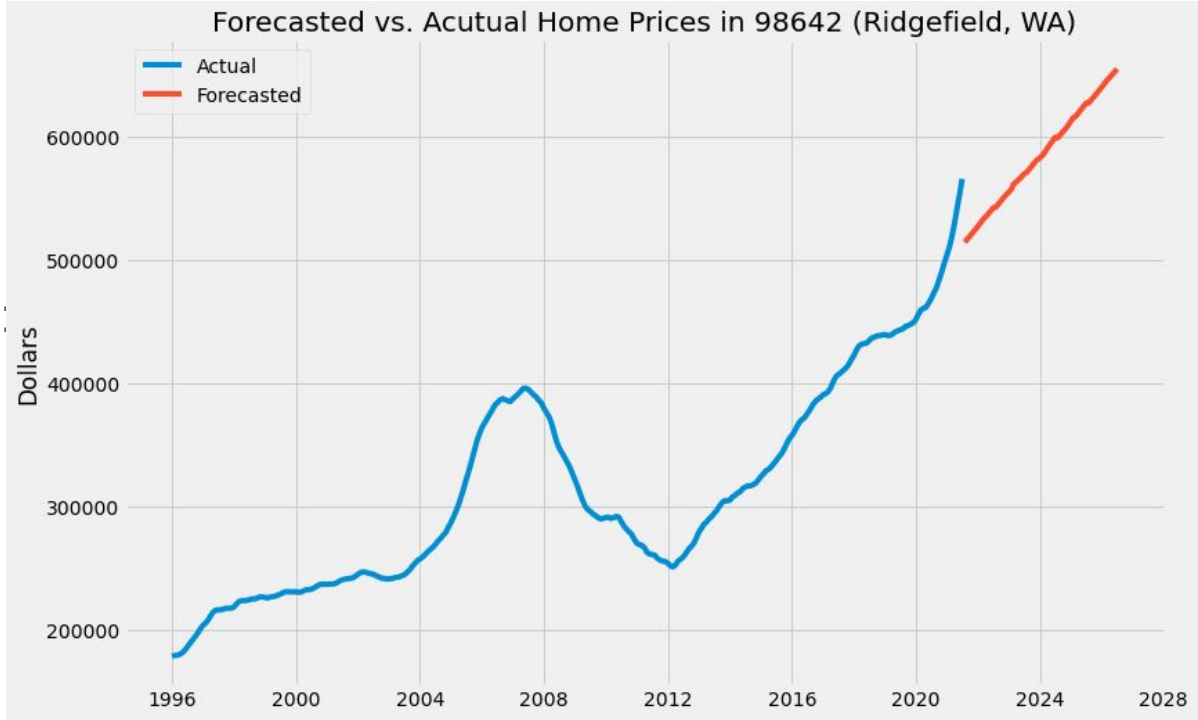
Saratoga Springs, UT

- Current Price:
  - $551,641
- Predicted 2026 Price:
  - $772,606
- Predicted 5 year increase:
  - $220,965
- Predicted 5 year ROI
  - 40.1%



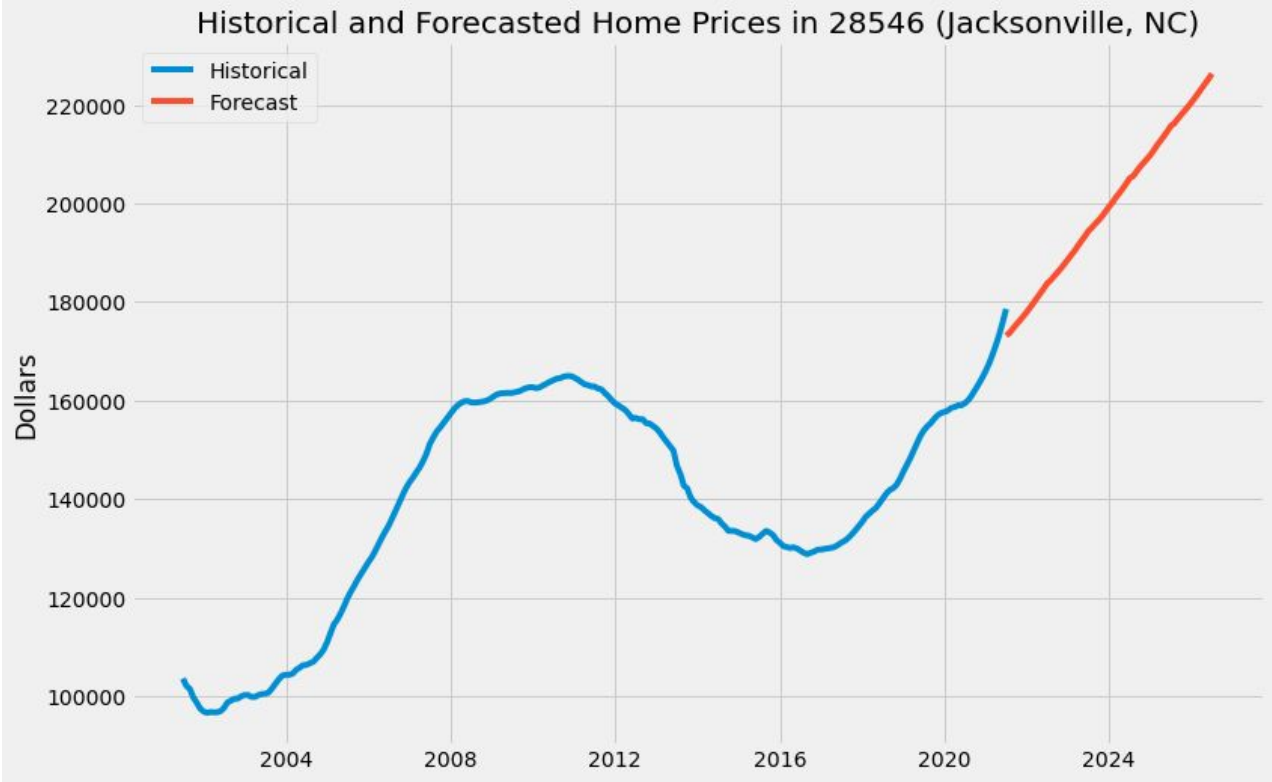
Ridgefield, WA

- Current Price:
  - $566,110
- Predicted 2026 Price:
  - $655,206
- Predicted 5 year increase:
  - $89,196
- Predicted 5 year ROI
  - 15.8%



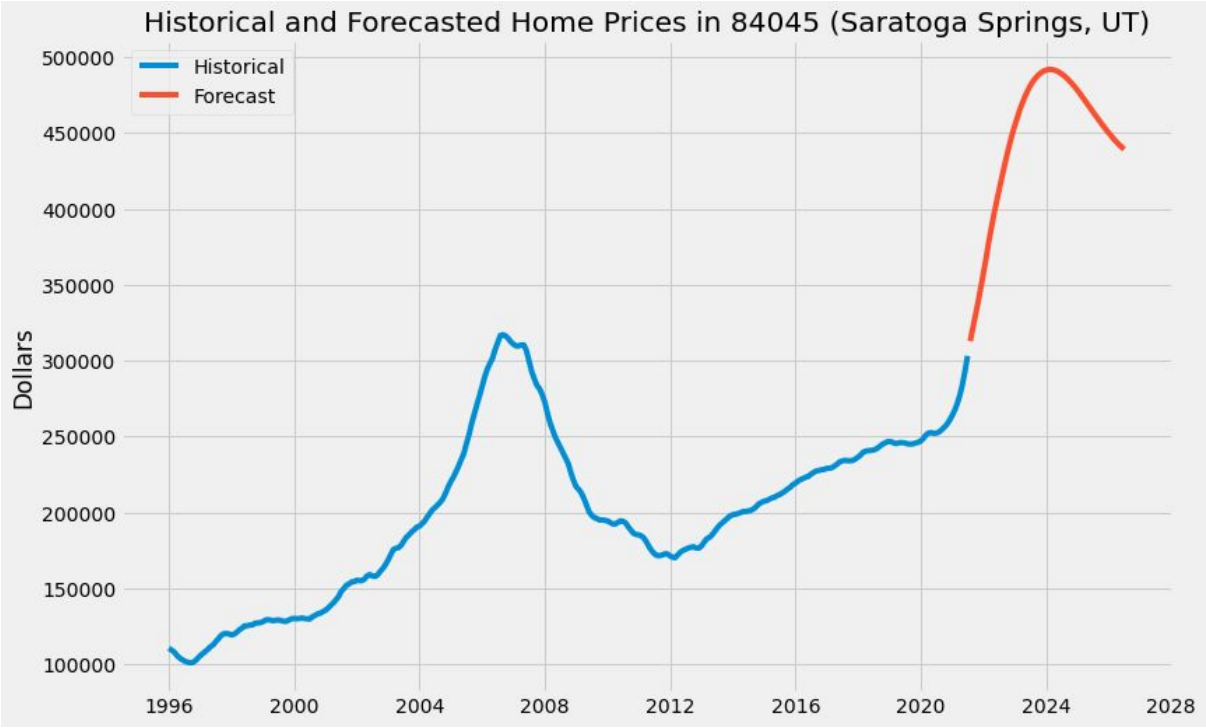
Jacksonville, NC

- Current Price:
  - $178,594
- Predicted 2026 Price:
  - $226,293
- Predicted 5 year increase:
  - $47,699
- Predicted 5 year ROI
  - 26.7%



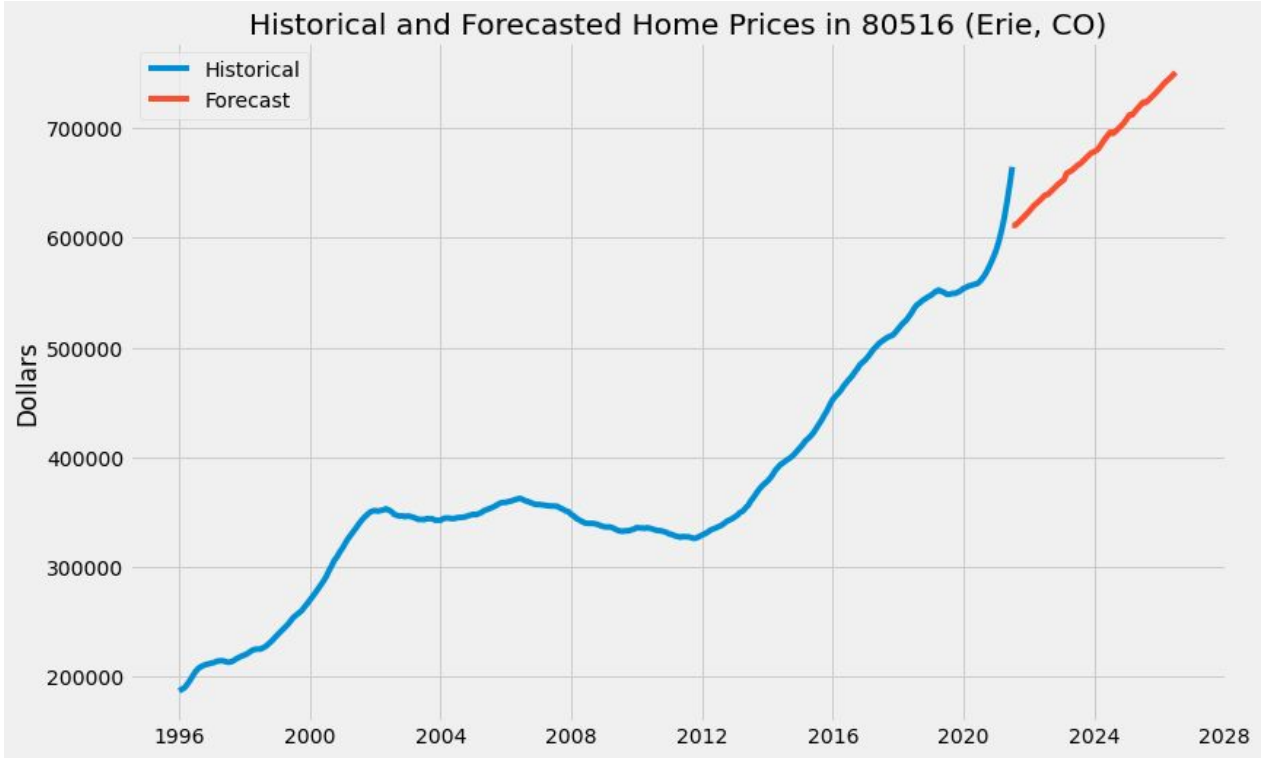
Aurora, CO

- Current price:
  - $303,145
- Predicted 2026 price:
  - $439,270
- Predicted 5 year increase:
  - $131,615
- Predicted 5 year ROI:
  - 44.9%



Erie, CO

- Current price:
  - $664,721
- Predicted 2026 price:
  - $750,797
- Predicted 5 year increase:
  - $86,076
- Predicted 5 year ROI:
  - 13.0%



Conclusion

- ROI
  - Aurora, CO
    - 44.9%
- Lowest Capital Investment
  - Jacksonville, NC
    - $178,594

Future Work

- Incorporate exogenous variables
  - Plywood Prices
  - Concrete Prices
  - Median Household Incomes
  - Interest Rates
  - Rate of home construction
- Incorporate multivariate variate forecasting

Questions?