

BEST REAL ESTATE
INVESTMENT ZIP
CODES IN AMERICA

RECOMMENDATIONS
FOR NATIONAL LLC

Overview

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- Today's presentation covers the following:
 - Approach/Assumptions
 - Top 5 Zip Codes Selected
 - Zip Code Models
 - Key Takeaways



Approach

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- Approach
 - A Zillow data set was used
 - The data set contained average prices of each zip code across America
 - Data Elements: Zip Code, Avg. Price, County, City, and State
 - Return on Investment
 - The metric used to determine the best 5 zip codes to invest in
 - $(\text{Current Price of Asset} - \text{Cost of Asset}) / \text{Cost of Asset}$
 - Average Historical Price of zip code
 - This metric was used to ensure we did not select any of the most expensive zip codes
- National LLC wants the biggest bang for their buck or the highest real rate of return on their investments.



Assumption

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- Assumptions
 - The real estate firm, National Archive LLC, is a multi million dollar RIT that has had a great year financially.
 - National Archive would like to invest in the zip codes that have the highest rate of return.
 - The following analysis has expected holding periods: 3, 5, and 10 years.
 - The Zillow dataset provided by National Archive was used for this analysis as requested.



Top Zip Codes Selected

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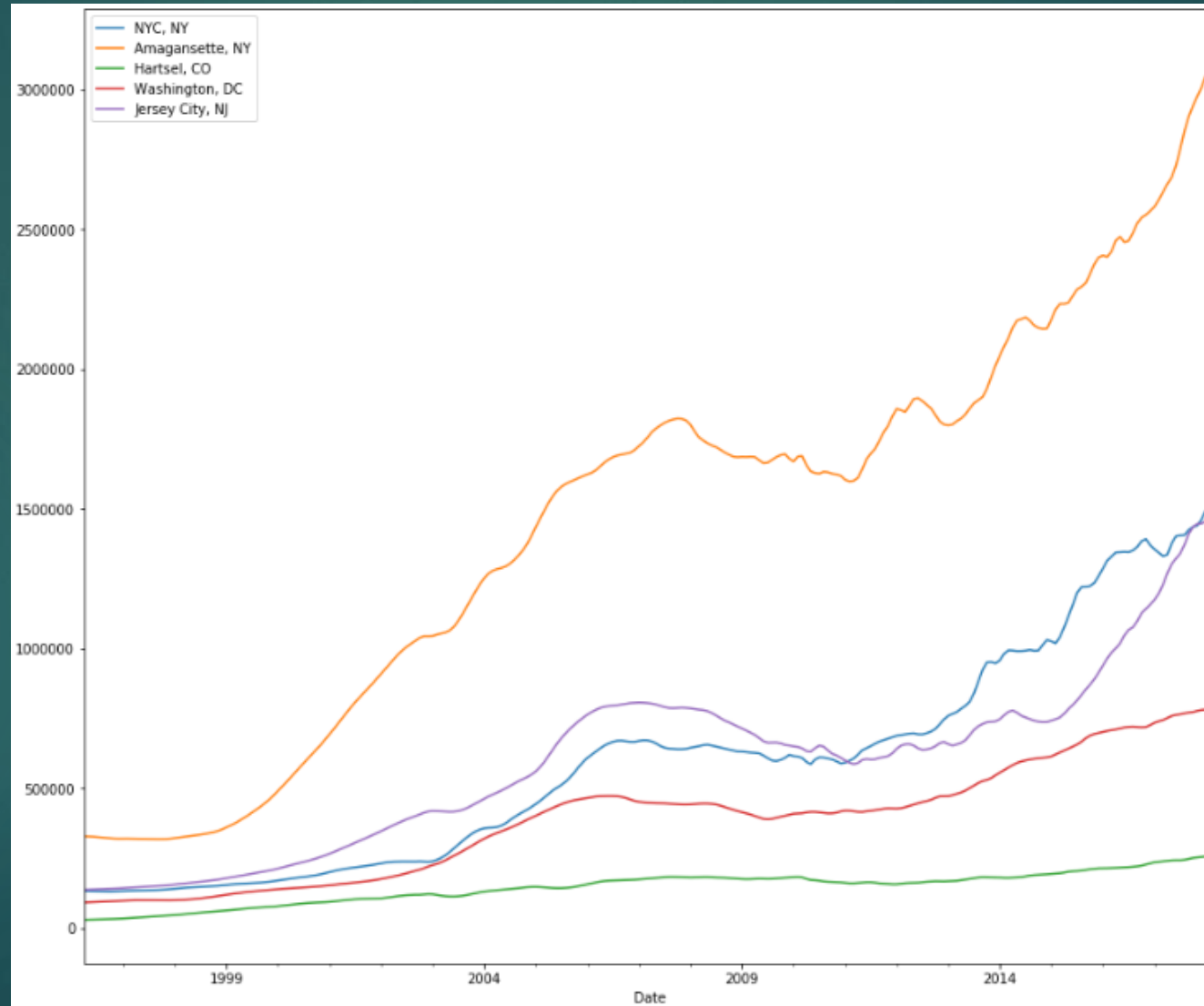
- The following zip codes were selected:

1. 11211 New York, NY, King County
ROI Rank: 1st
2. 11930 New York, NY, Suffolk County
ROI Rank: 7th
3. 80449 Hartsel, CO, Park County
ROI Rank: 8th
4. 20001 Washington, District of Colombia
ROI Rank: 10th
5. 7320 Jersey City, NJ, Hudson County
ROI Rank: 4th



Time Series Graph of Zips

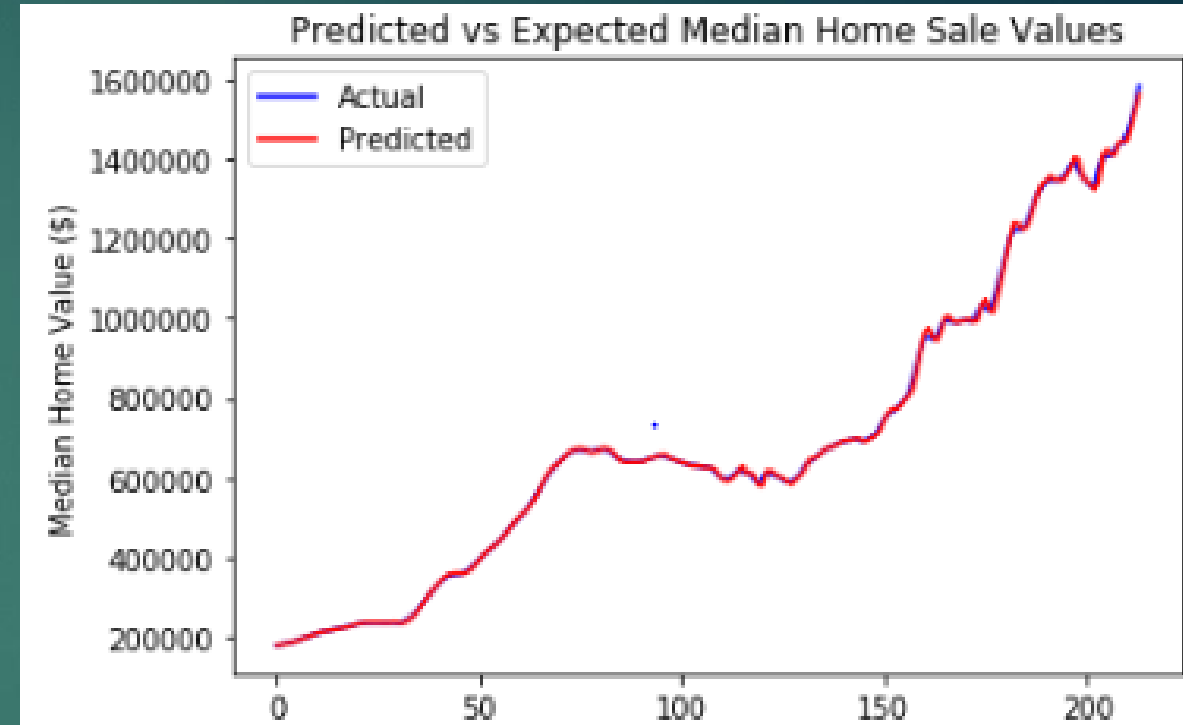
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Top 5 Zip Codes: 11211

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- **11211 New York, NY, King County**
- **Average Median Home Value: \$1,581,900**
- **Model of 1, 5, 10 Year ROI:**
 - **1 Year: 7.36%**
 - **5 Year: 25.06%**
 - **10 Year: 46.77%**



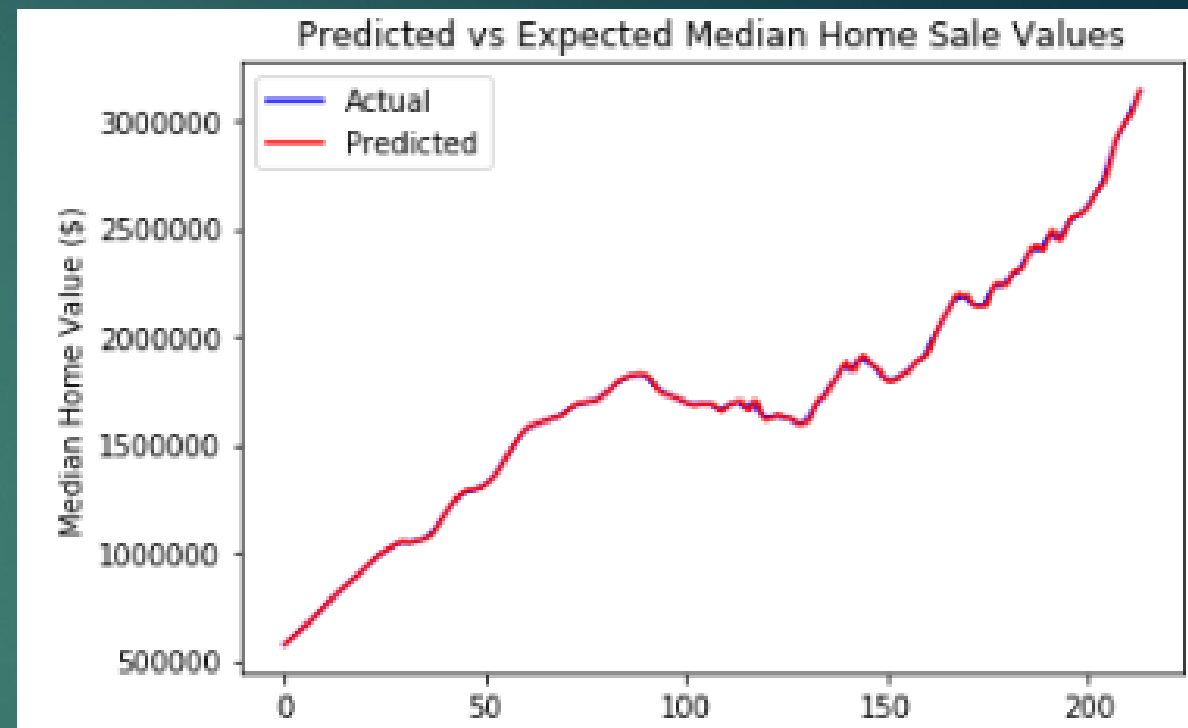
King County Housing Price ARIMA Model Forecast



Top 5 Zip Codes: 11930

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- **11930 New York, NY, Suffolk County**
- **Average Median Home Value: \$3,132,200**
- **Model of 1, 5, 10 Year ROI:**
 - **1 Year: 8.35%**
 - **5 Year: 25.53%**
 - **10 Year: 46.13%**



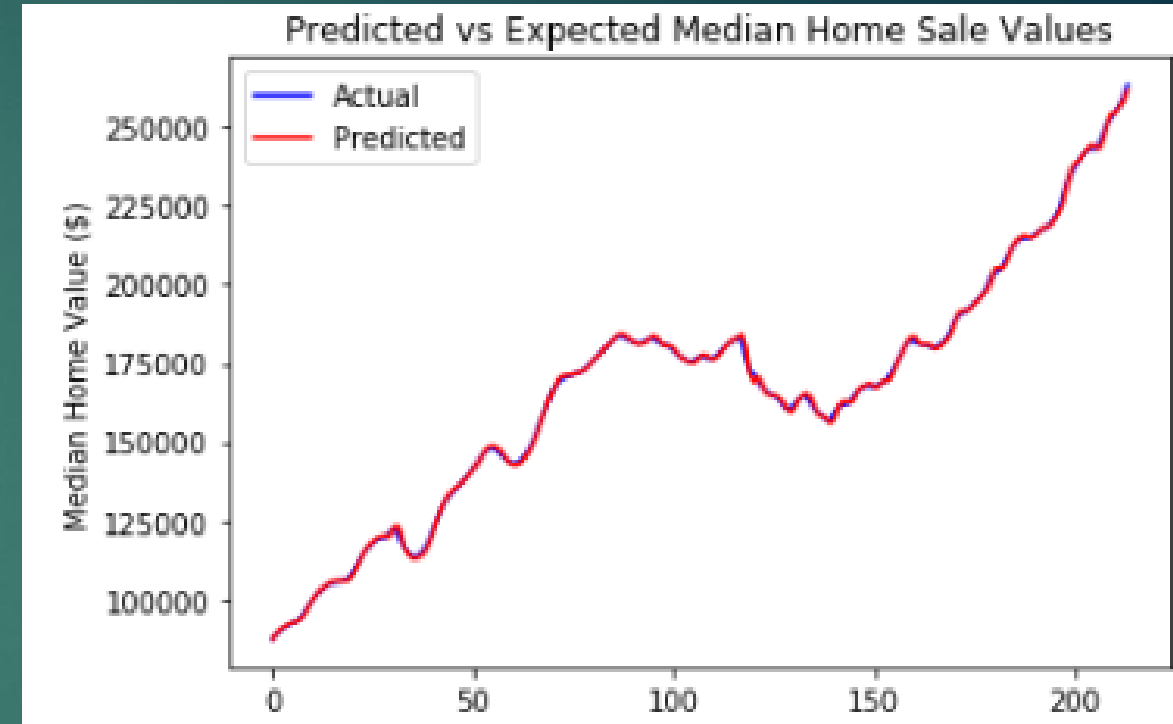
Suffolk County Housing Price ARIMA Model Forecast



Top 5 Zip Codes: 80449

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- **80449 Hartsel, CO, Park County**
- **Average Median Home Value: \$263,400**
- **Model of 1, 5, 10 Year ROI:**
 - **1 Year: 5.63%**
 - **5 Year: 22.53%**
 - **10 Year: 43.01%**



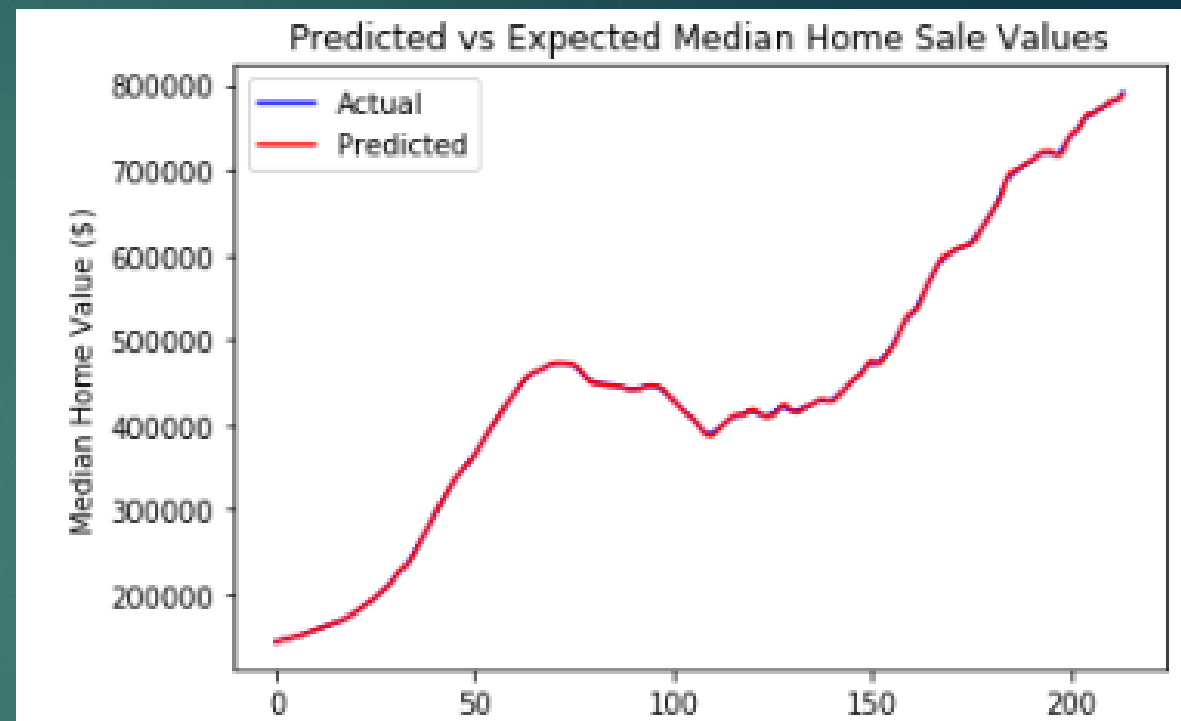
Park County Housing Price ARIMA Model Forecast



Top 5 Zip Codes: 20001

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- **20001 Washington D.C, District of Colombia**
- **Average Median Home Value: \$791,400**
- **Model of 1, 5, 10 Year ROI:**
 - **1 Year: 4.51%**
 - **5 Year: 21.43%**
 - **10 Year: 41.42%**



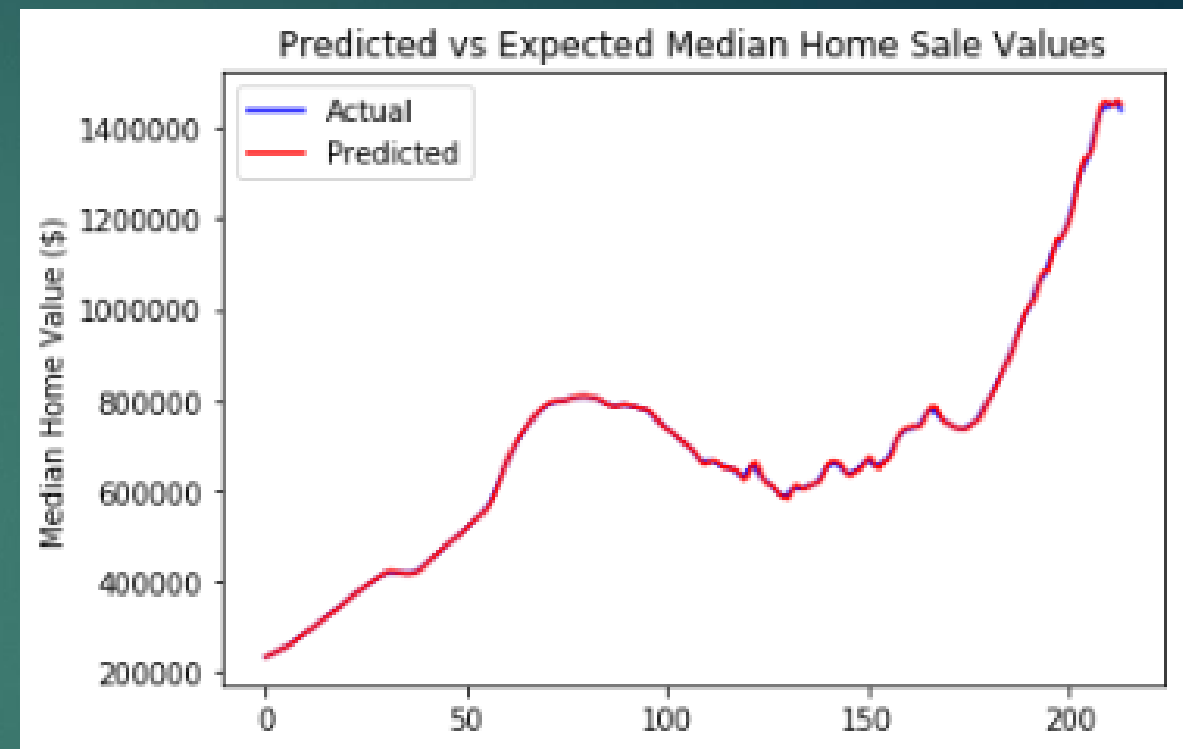
District of Colombia Housing Price ARIMA Model Forecast



Top 5 Zip Codes: 7302

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- **7302 Jersey City, NJ, Hudson County**
- **Average Median Home Value: \$1,439,500**
- **Model of 1, 5, 10 Year ROI:**
 - **1 Year: 2.45%**
 - **5 Year: 17.61%**
 - **10 Year: 37.74%**



Hudson County Housing Price ARIMA Model Forecast



Key Takeaways

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- Key Takeaways:
 1. All of the zip codes selected have around a 40 percent ROI after 10 years which is very good.
 2. Weirdly all of the zip codes have a sort of down turn or bad couple months between 100 (8.3 years) and 150 (12.5 years) which could mean maybe there is going to be a recession.
 3. 11211 had the highest return coming in around 50 percent ROI after 10 years. This is expected the Williamsburg housing market is jumping currently and will not be slowing down anytime soon.
 4. The most expensive zip code is the Suffolk, NY County due to it being in a prime beach/general location for New Yorkers.
 5. The least expensive zip code is Hartsel, Colorado and saw the second highest ROI.





Questions?