



Data-Driven Property Renovation Strategies: Maximizing Market Value

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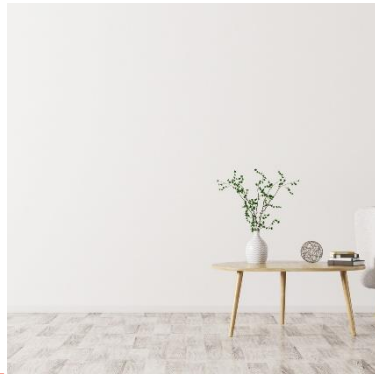


Summary

Using linear regression from the dataset of the King County, Washington Sales Record. We can reveal some key insights:

- What are key renovations that we need to make to increase the market value of the property.
- Making a prediction of how much the renovation would increase the market value.

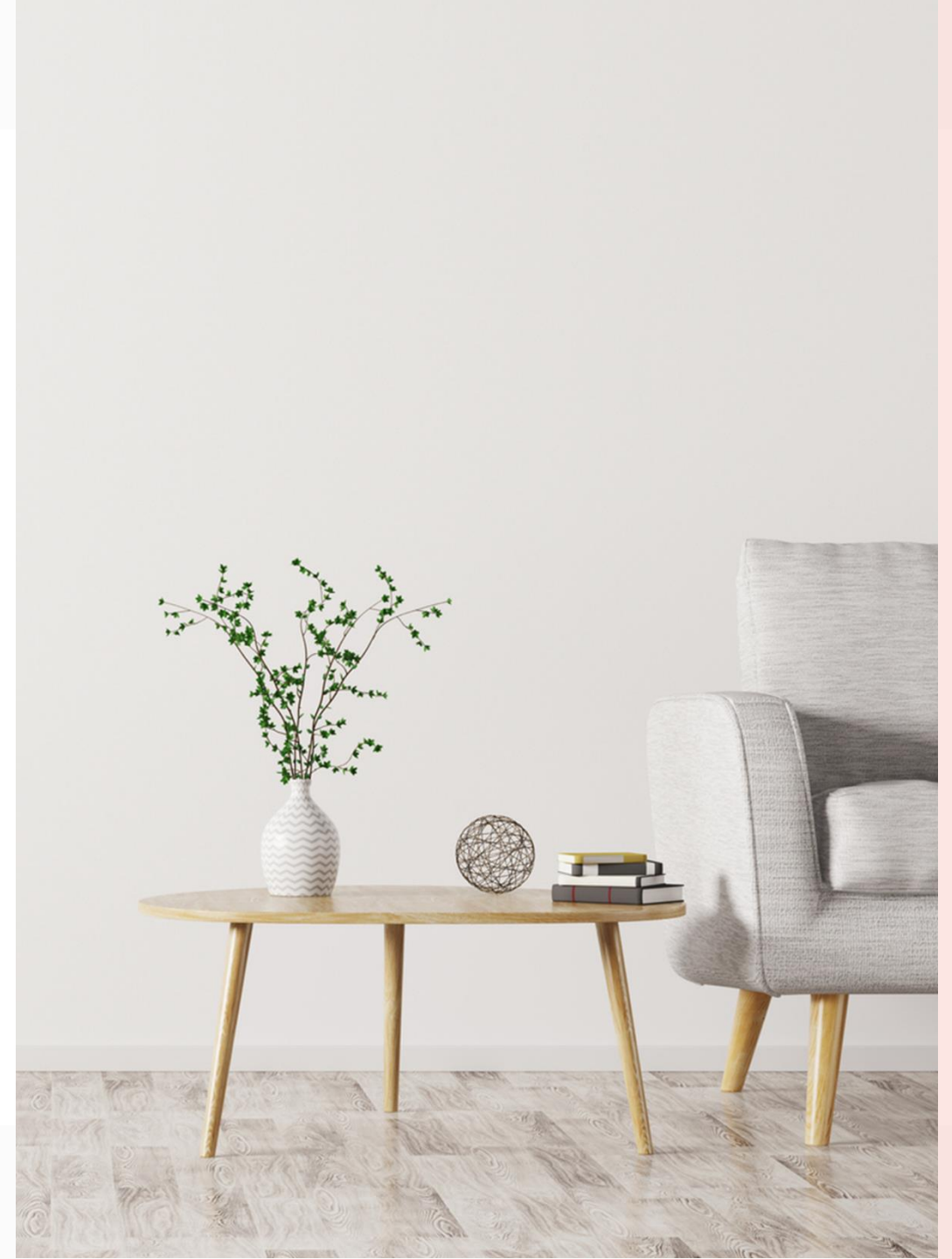
Outline



- Business Problem
- Data & Methods
- Results
- Conclusions

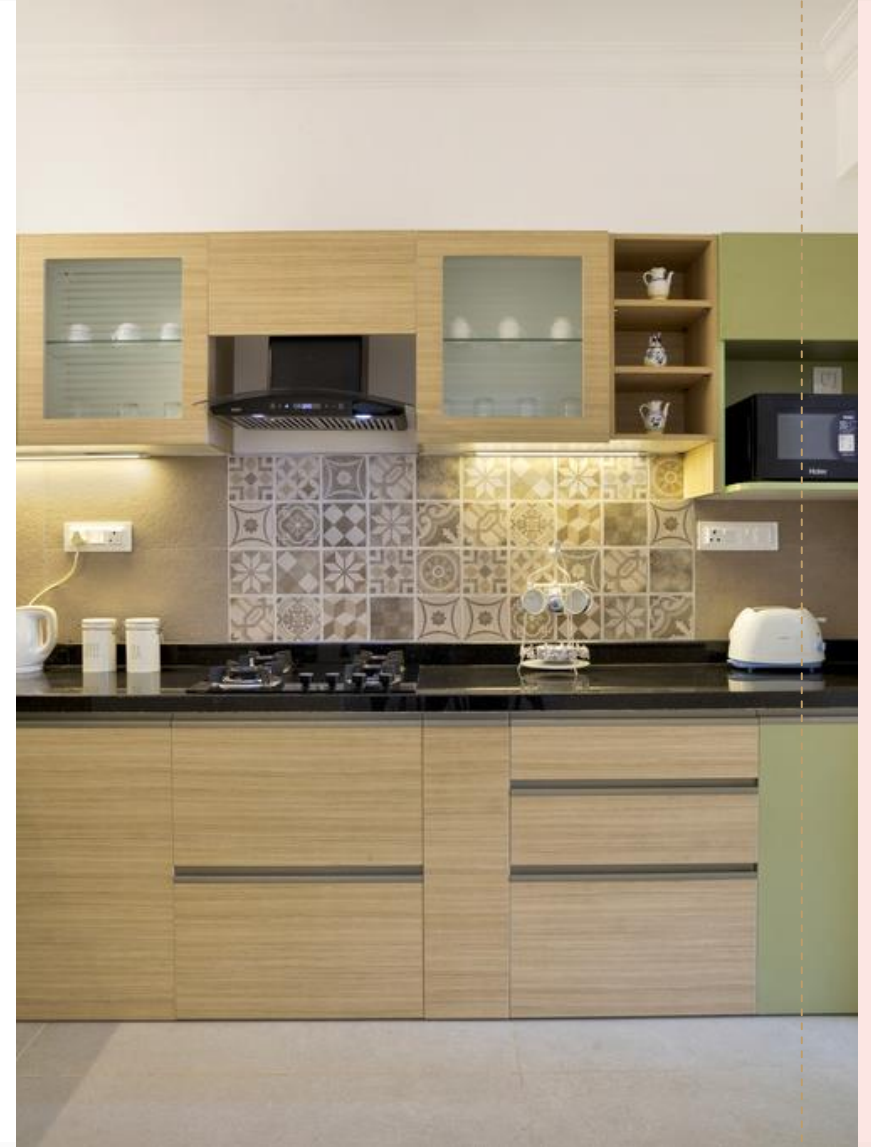
Business Problem

The real estate agency aims to provide strategic guidance to prospective homebuyers who intend to purchase and renovate properties. This guidance should identify key renovation priorities that will maximize the property's market value increase, along with estimated value increments to optimize their resale potential.



Data and Methods

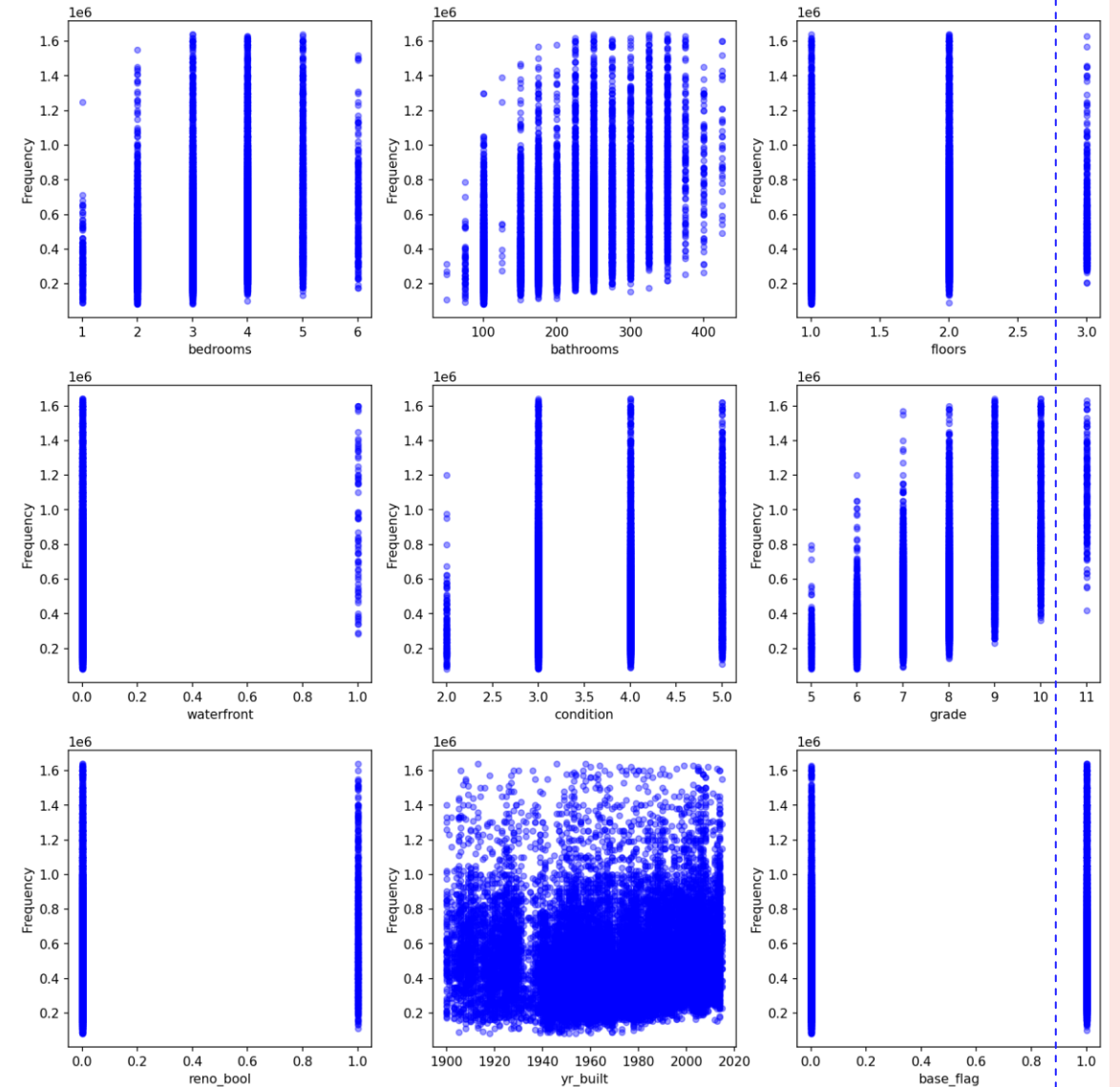
This dataset that we are using for this model comes from houses in King County, Washington, USA that were sold from 2014 to 2015. It contains 21,597 entries that includes the statistics of the house (bedroom, bathroom,) and its rating (grade)



Data and Methods

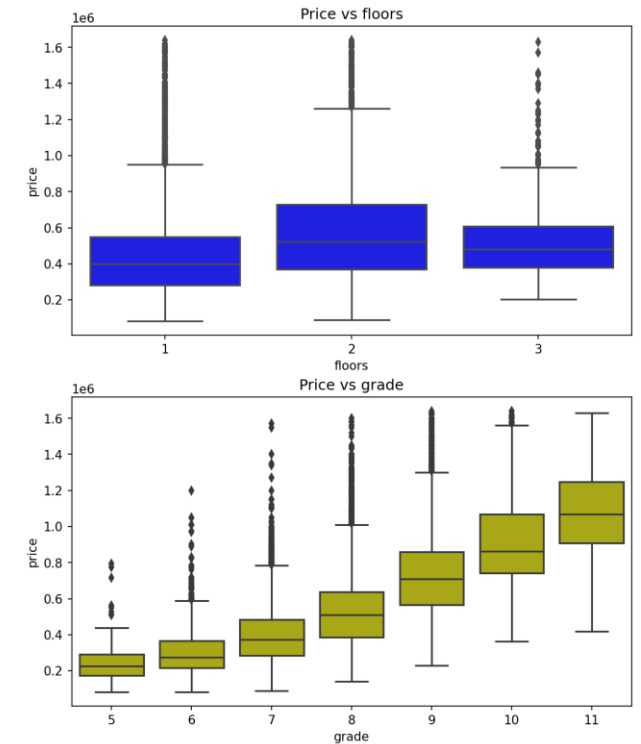
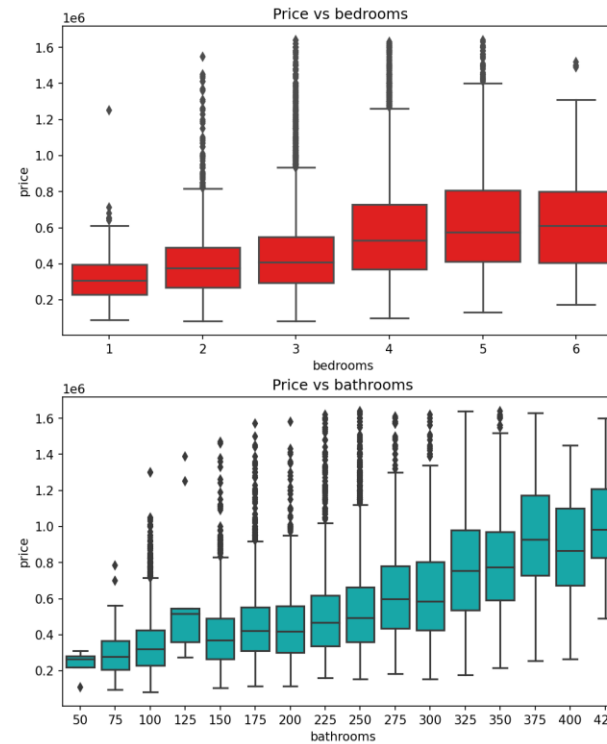
Data from the King County are used with over 20,000 different houses.

With house statistics like number of bedrooms, bathrooms and its grade that was given by the King County Assessors



Data and Methods

Due to the presence of anomalies we had to disregard some parts of the data so it would give up more conclusive results



Results

- ♦ The resulting model made from the data from the King County dataset that we got.
- ♦ The finding reveals that having a higher grade is one of the driving price that increases the value of the market price of the home.



Results

- The most effective method for raising market prices involves renovation, and we've identified the top five factors that can significantly increase property value:
1. **Sqft_living**: Increasing the square footage of the home can boost the price by \$83,010.
 2. **Flr_3**: Owning a three-story house could elevate the property's value by \$66,690.
 3. **Bath_425**: Adding 4.25 bathrooms can increase the property's worth by a substantial \$304,400.
 4. **Wtr_1**: Enjoying a waterfront view can elevate the property's value by a substantial \$305,700.
 5. **Grade_11**: Possessing a building grade of 11 in King County can substantially increase the property's value by \$714,500.



Conclusions



To maximize the market value of a house, the key factors to consider include:

1. Investing in Premium Materials and Luxury Upgrades during Renovation:

Prioritizing high-quality materials and incorporating luxurious features during the renovation process.

2. Seeking Properties with Waterfront Views When Possible: If feasible, selecting homes with waterfront views to enhance their desirability and value.

3. Increasing the Number of Bathrooms: Adding additional bathrooms to the house to meet modern convenience and comfort standards.

Thank You

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