KING COUNTY REAL ESTATE ANALYSIS

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overview

- Nimble Home Buyers wants to expand to Washington
- Analysis of factors impacting home prices
- Provide recommendations for maximizing returns.

Problem

- identify the most profitable properties for investment
- Find features with the greatest impact on price
- renovation and new construction

Data

- King County, Washington home sales information
- 21,380 homes
- Dates starting from May 2014- April 2015
- 22 features

Modeling

- We used a linear regression model
- The goal is to find the line of best fit
- predict price using other features

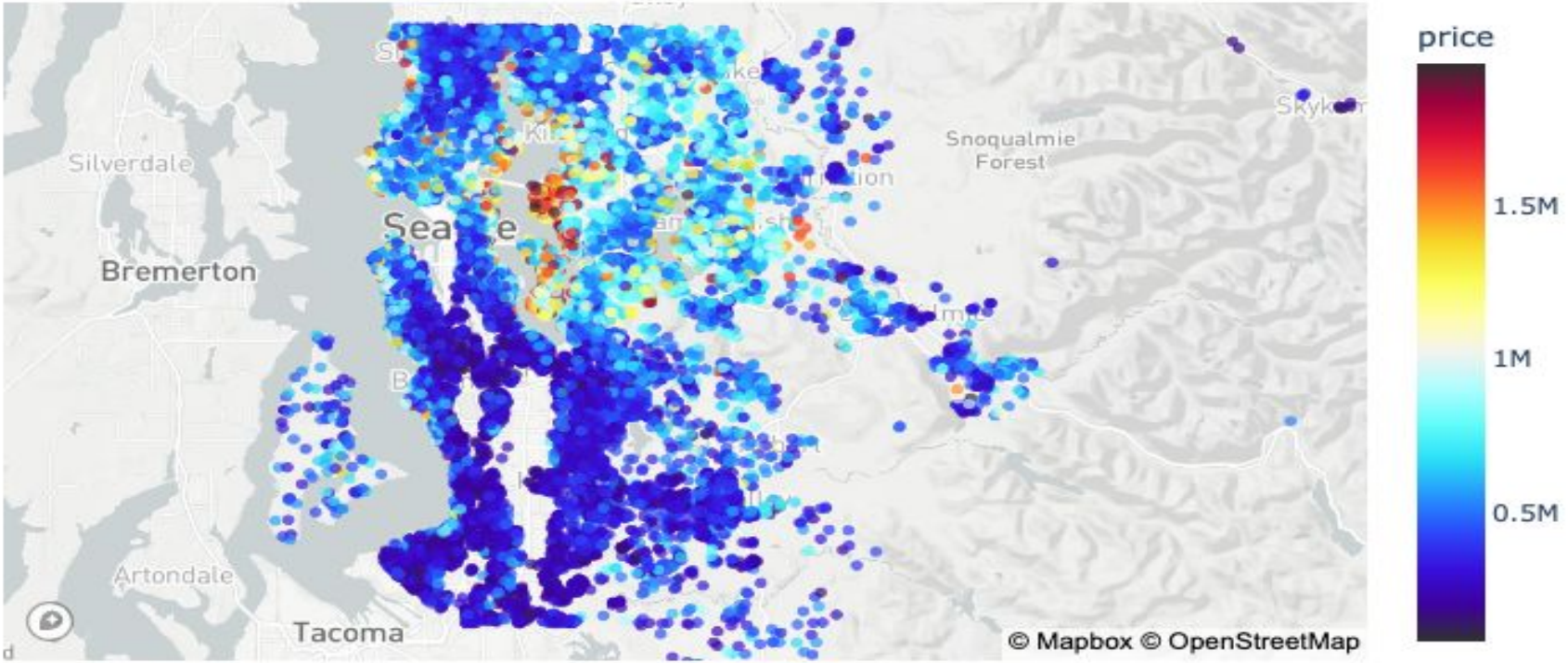
Performance

- 83.9% of home price variance explained.
- Most significant coefficients: grade, waterfront, view, condition, sqft_living.
- Large coefficients indicate strong positive relationships.

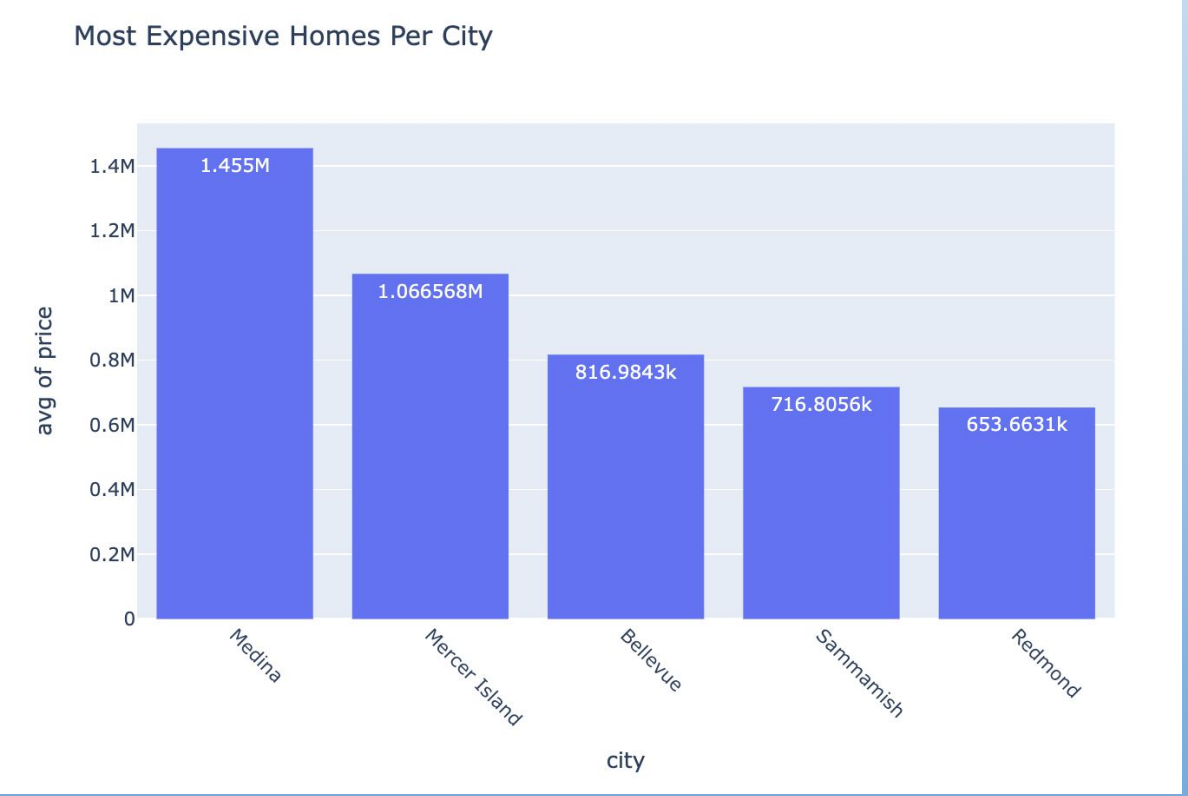
some observations

- 1 unit grade increase adds $55,000 in value.
- 1 sqft living space increases price by $62.00
- Waterfront properties worth $500,000 more.
- Positive impact of $26,000 for better condition.

Home Prices Across King County



Feature Exploration



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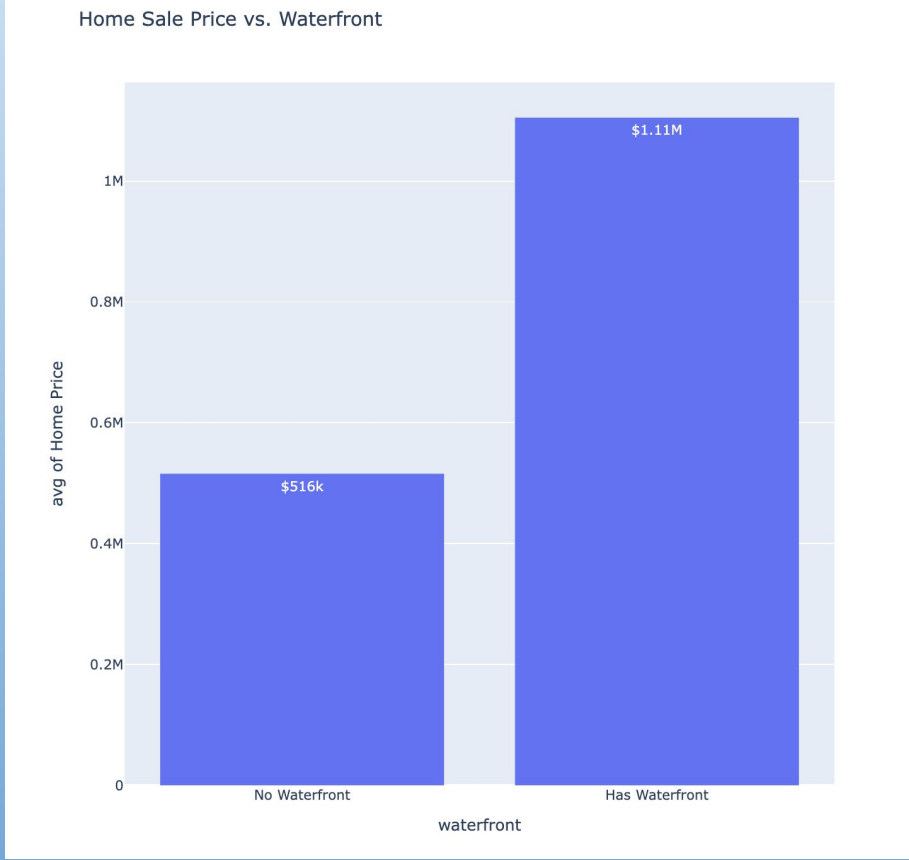

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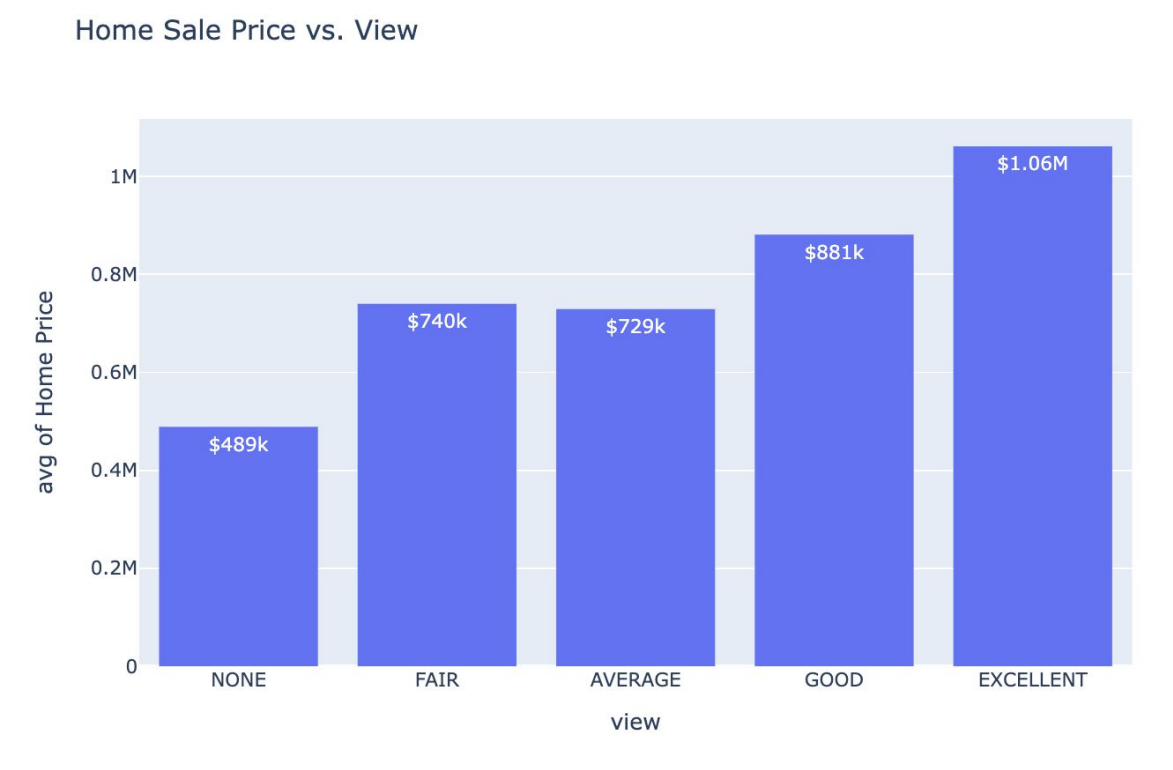

Feature Exploration

Recommendations

- Prioritize high-grade materials.
- Rehab distressed homes for $79,000 to $105,00 increase.
- Build luxury/mansion for new development.
- Acquire waterfront properties

Limitations

- Further investigation needed for bedrooms and floors.
- One-hot encoding not used for Condition, Grade, and View.
- Seasonality did not affect sale price

Further Analysis

- Use recent and historical data.
- Consider alternative data sources
- Consider cyclicality.
- Analyze seasonality in the market.
- Try alternative modeling methods.

Thank You

Questions?

Please feel free to reach out at:
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For a more in-depth and interactive analysis, as well as a closer look at the methods used in this presentation, please visit:
https://github.com/inagib21/King-County-Analysis