



Forecasting: Where to Invest in Clark County

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Introduction

- **Clark County - Nevada**
 - Includes
 - Las Vegas
 - North Las Vegas
 - Henderson
 - Most populous district in Nevada (11th in US)
 - Holds 70% of state's population
 - ~2.3 million

<https://www.dot.nv.gov/doing-business/about-ndot/ndot-divisions/planning/roadway-systems/functional-classification-maps/clark-county-copy>



<https://worldpopulationreview.com/us-counties/nv/clark-county-population>

<https://extension.unr.edu/publication.aspx?PubID=4445>



Business Context

Problem:

- Real estate company needs to know specific areas in Clark County to invest in

Goal:

- Generate suggestions for **Top 5 zipcodes** to target

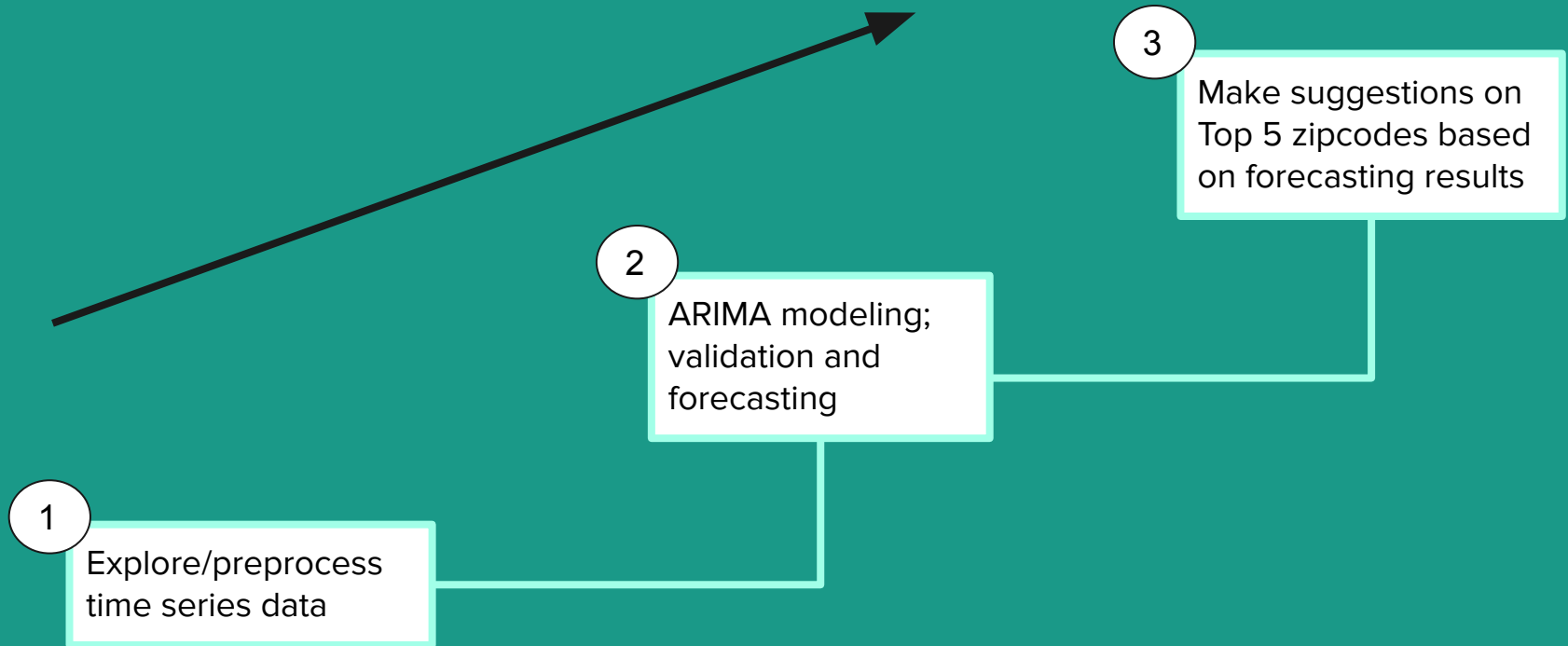


Metrics to Consider

- Return on investment (ROI)
 - Looked at **projected 5-year ROI (2018-2023)**
- Looked at **average housing prices over time** for each **zipcode**
 - Informed **ARIMA model** for **forecasting**

$$\text{Return on Investment (ROI)} = \frac{\text{Net Return}}{\text{Cost of Investment}}$$

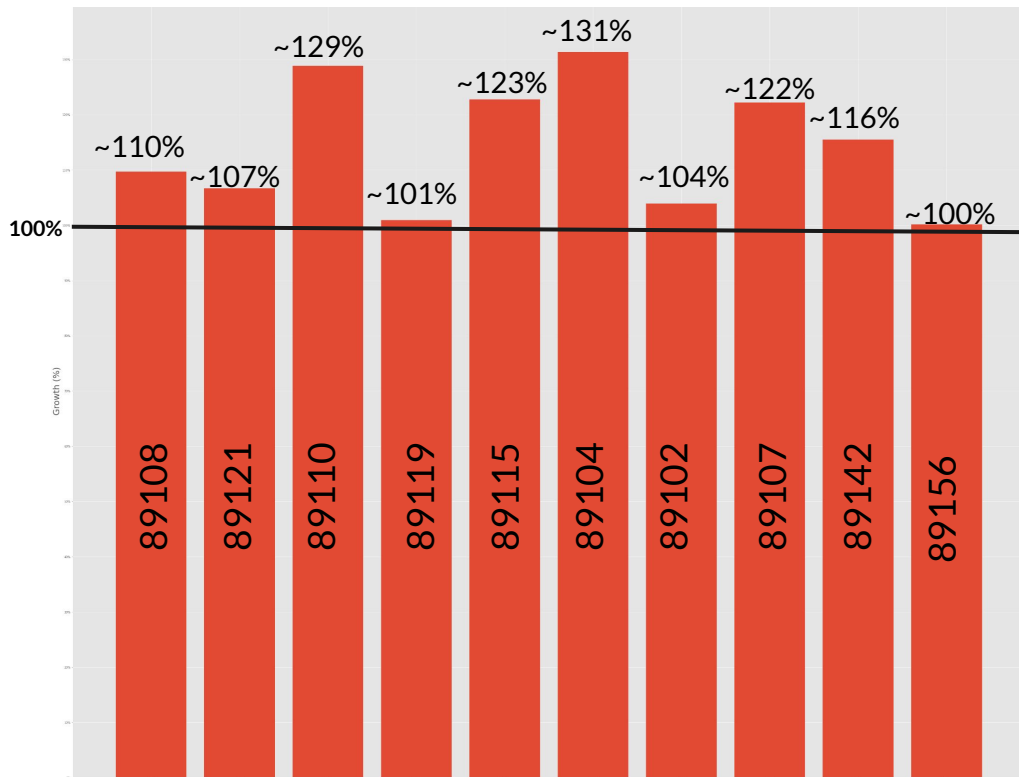
Methods (Process Steps)



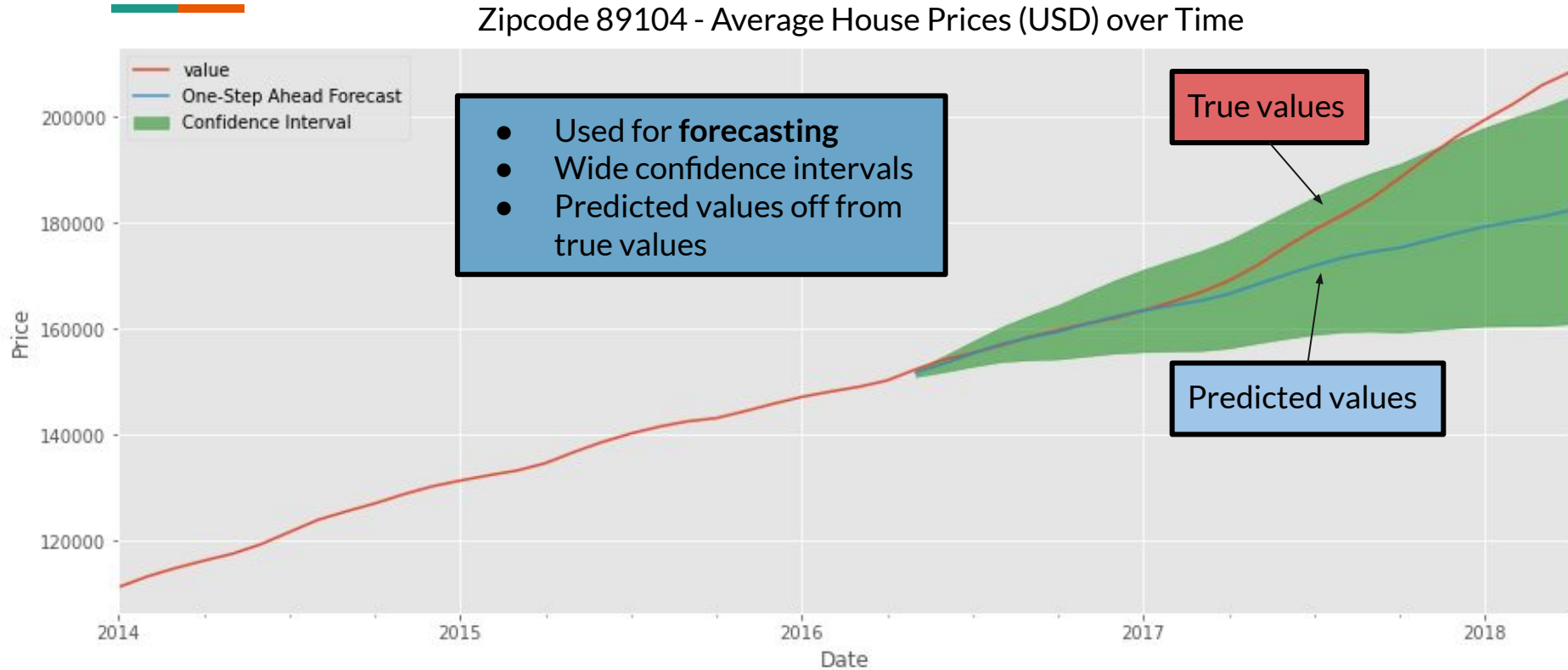
Dataset

- From **Zillow**
 - Each row: **zipcode** with **mean price** for houses in that area
 - **Housing prices over time** (month and year)
 - Jan 1996-Apr 2018
 - Filtered based on **Clark County** and **5-year ROI (2013-2018) $\geq 100\%$**

Clark County Zipcodes (5-year ROI (2013-2018) $\geq 100\%$)

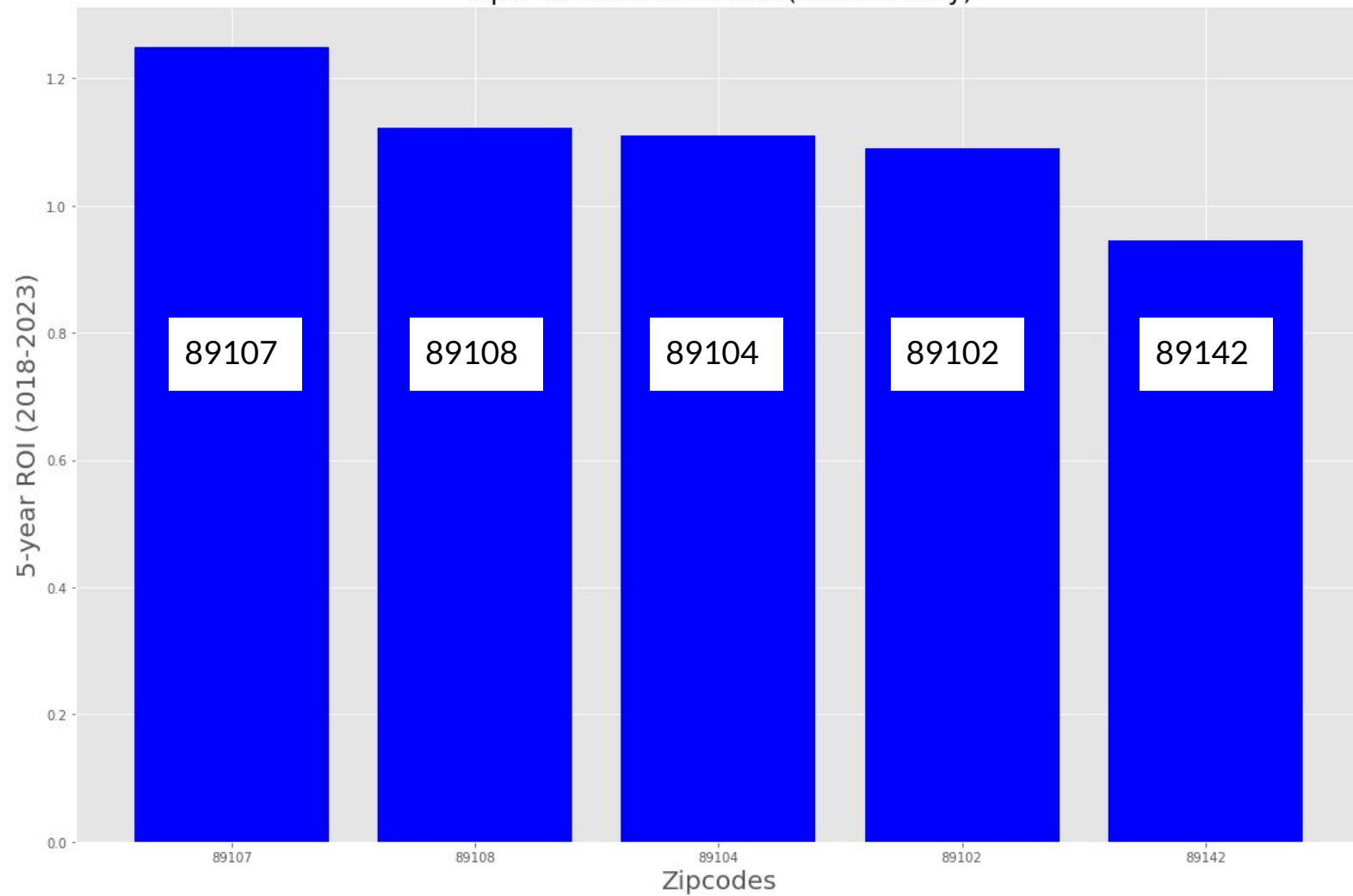


ARIMA Model

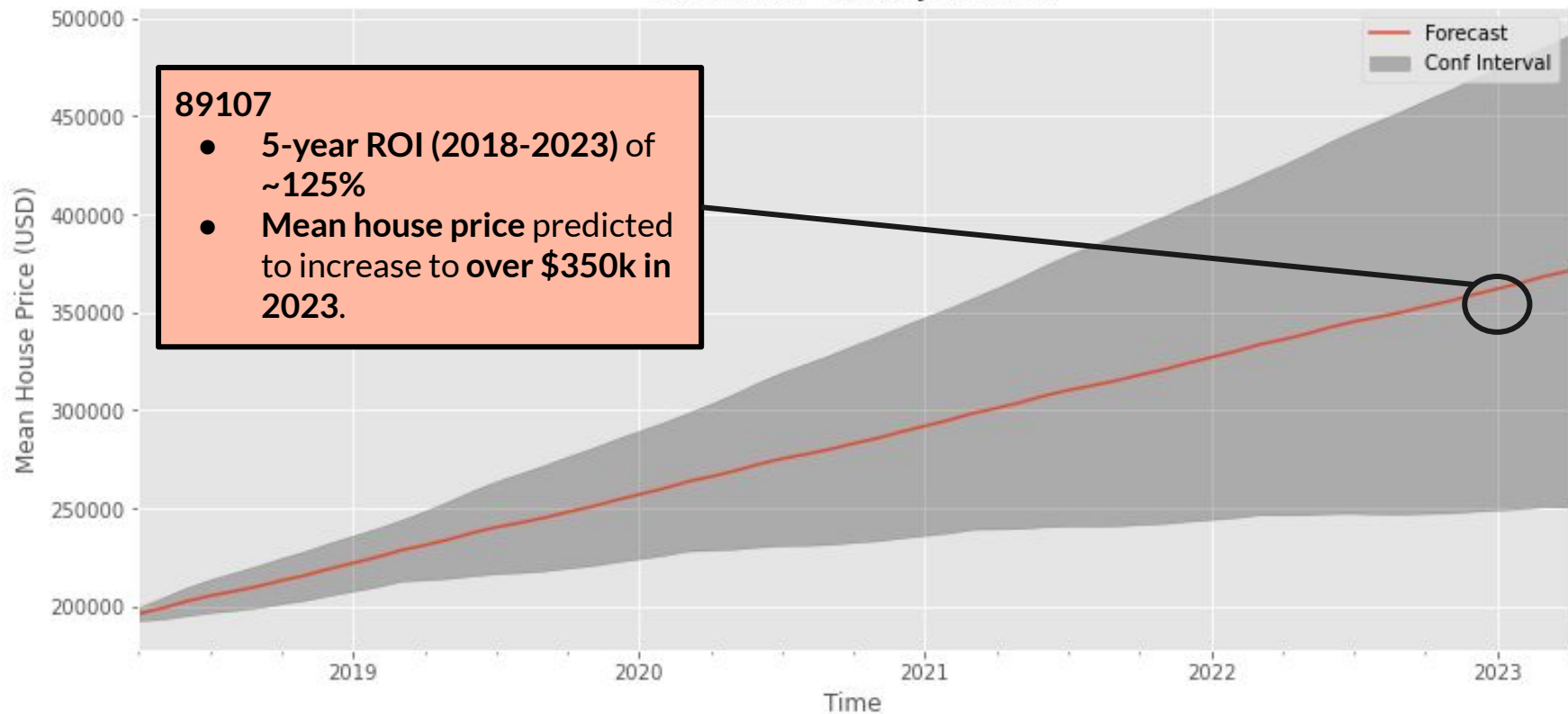


Results & Business Recommendations

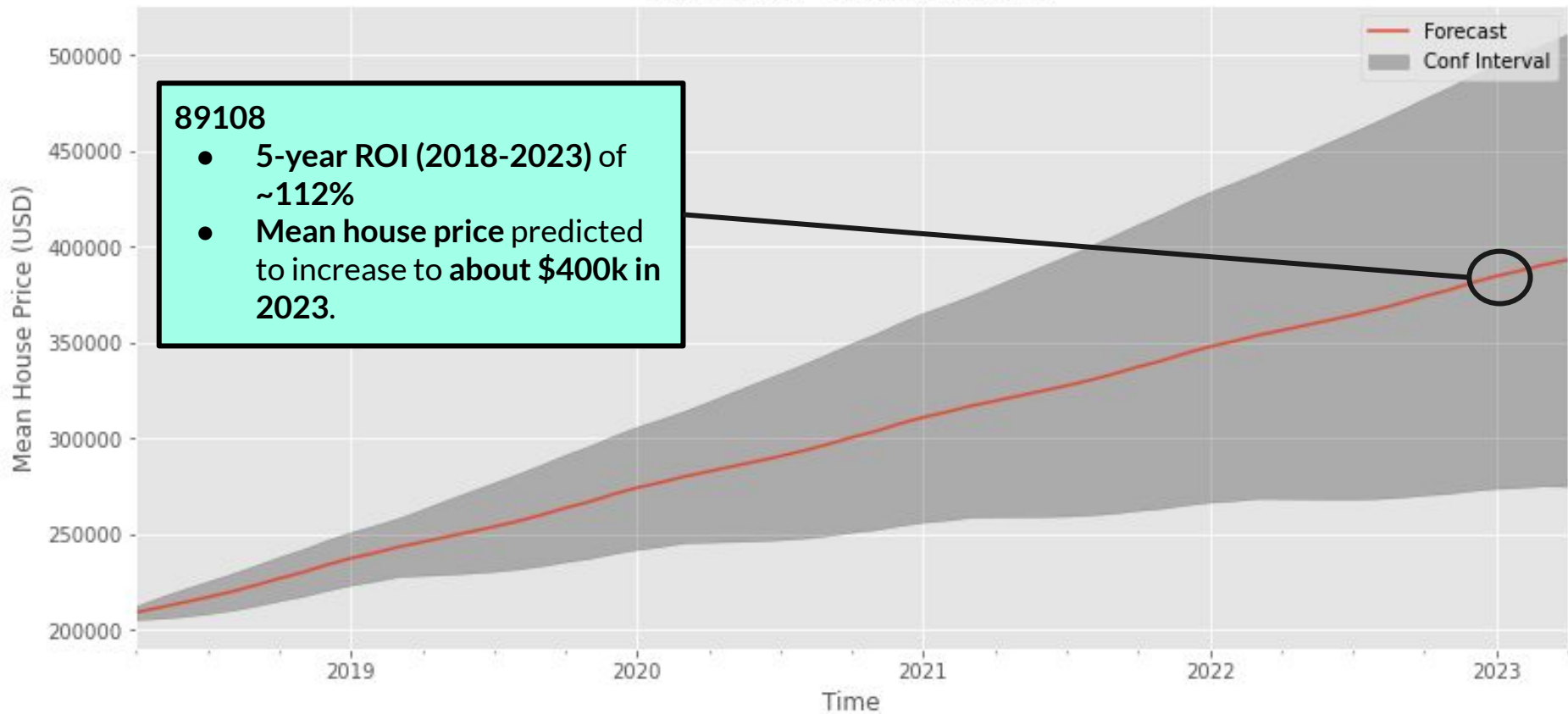
Top 5 Recommendations (Clark County)



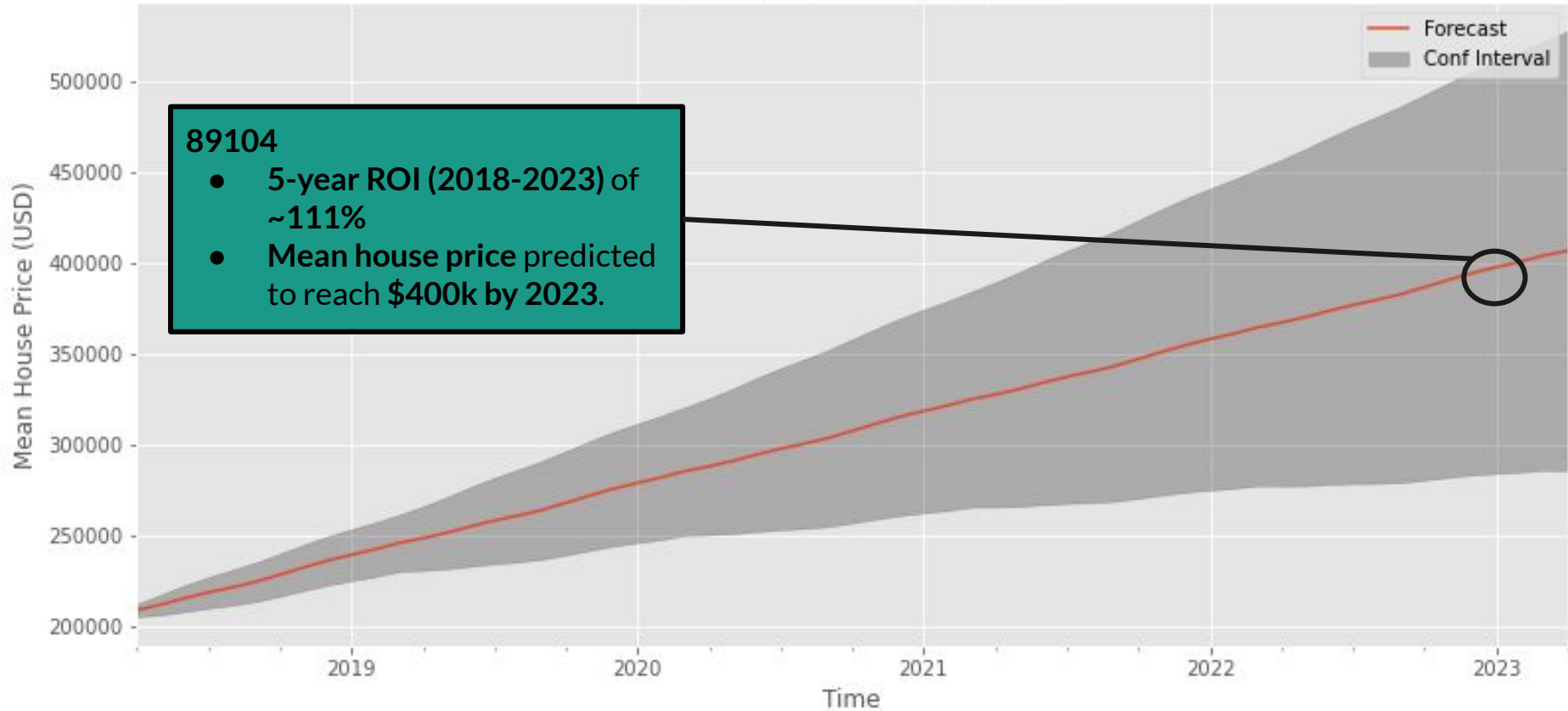
Forecast of Monthly Returns



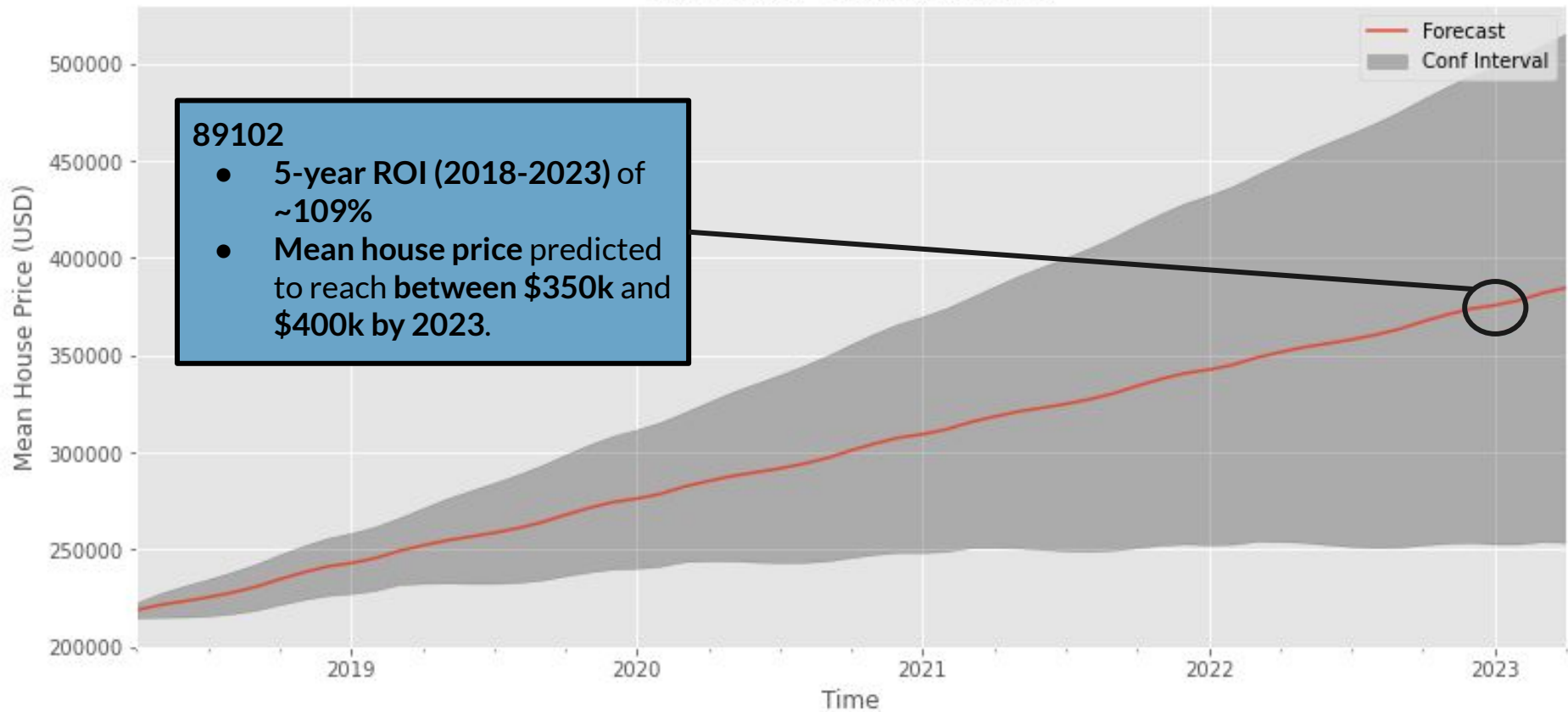
Forecast of Monthly Returns



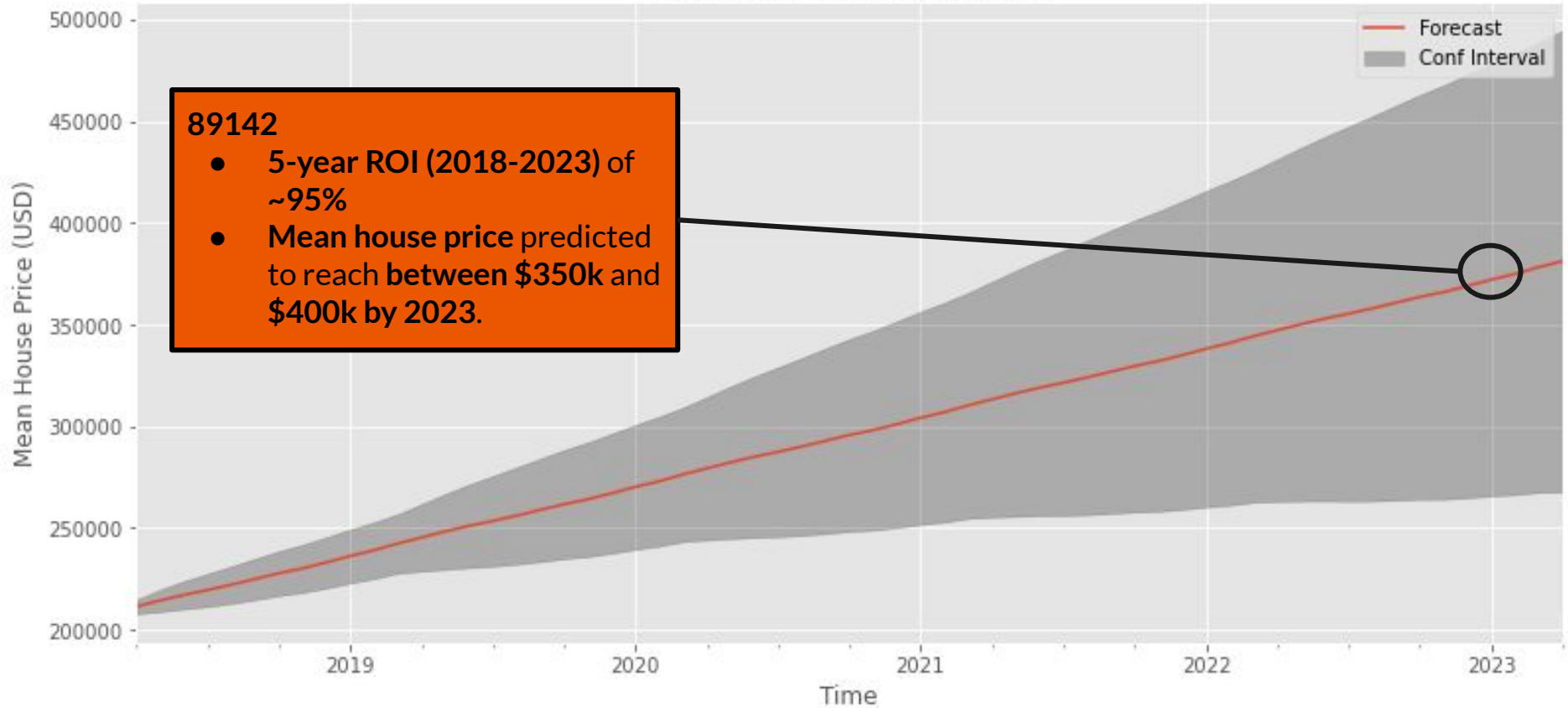
Forecast of Monthly Returns

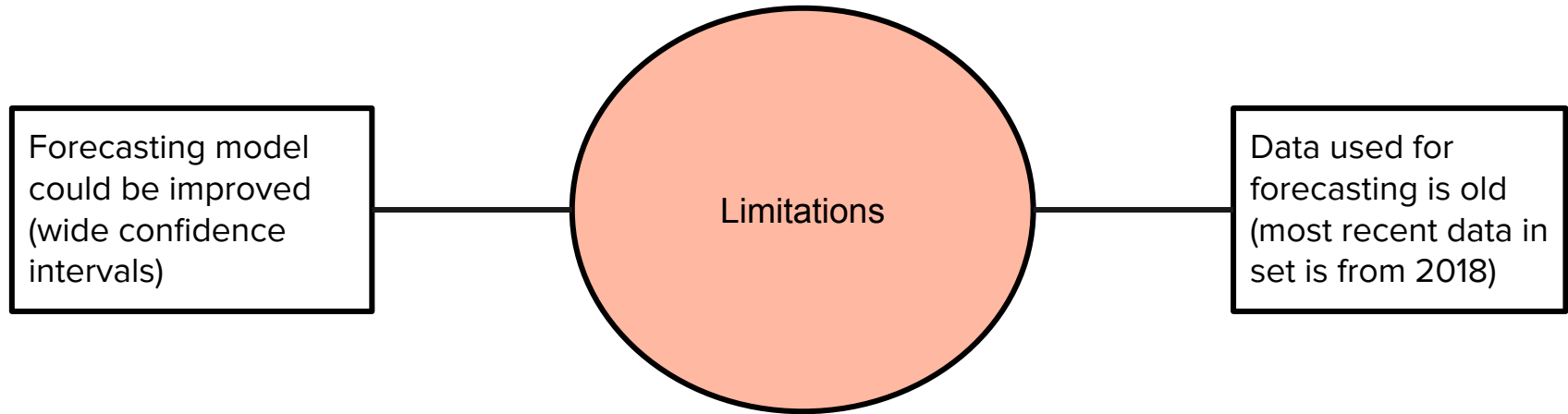


Forecast of Monthly Returns



Forecast of Monthly Returns





Summary

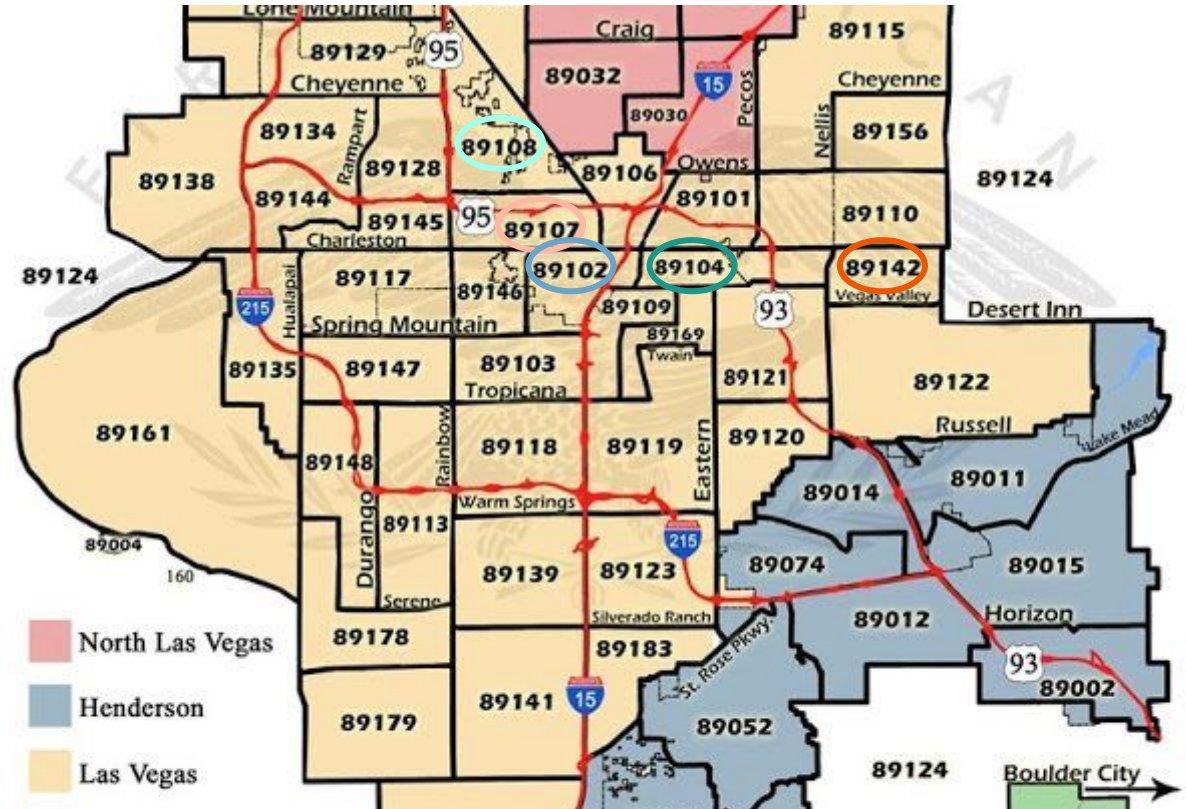
89107: 5-yr ROI of ~125%

89108: 5-yr ROI of ~112%

89104: 5-yr ROI of ~111%

89102: 5-yr ROI of ~109%

89142: 5-yr ROI of ~95%



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