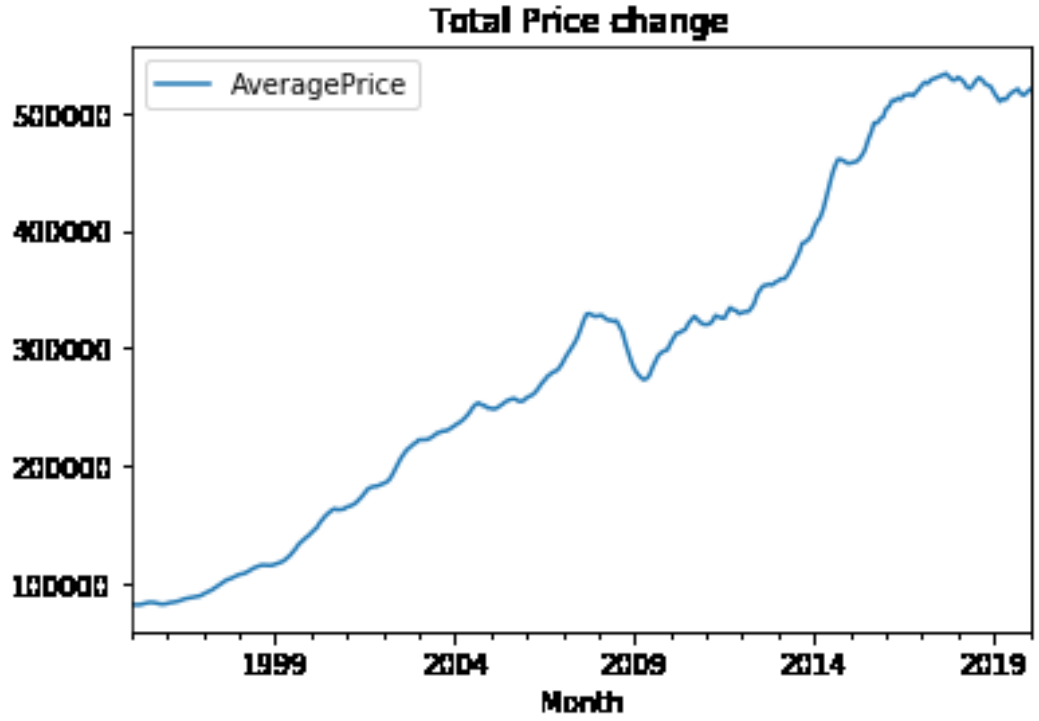
Conclusions to London House Price

In this exercise, I used the data for the London house price. The data contains all the average prices from Jan 01, 1995 to Jan 01, 2020 for houses in London city.

From the following graph, we can see there was a drop in house prices in 2008. The drop could be due to the financial crisis in 2008. Since 2017, the house price has a slight decrease as well. The house price increased by 468.76% in London from 1998 to 2018 with a compound annual growth rate of 8.03%.



There are 32 boroughs in London city. By analysis, Kensington & Chelsea is, overall, the most expensive borough with an average price of £757,435.9, then Westminster and Camden with average prices of £560,618.46 and £479,586.71. Barking & Dagenham, on the other hand, has the lowest average price.

If anyone wants to invest in real estate, it could be better to invest in houses in Hackney (619.83%), Waltham Forest (583.47%), Southwark (551.65%), Lewisham (544.92%) or Westminster (535.36%). These 5 boroughs have the highest growth rate over last two decades (619.83%, 583.47%, 551.65%, 544.92%, 535.36% respectively). Hounslow could be a relatively bad investment because it has the lowest growth rate (3.98%).

In this project, I think the function create_price_ratio is the most challenging one. I have to imagine the structure of the outcome as the build the function. I used lots of print() functions to check the outcome step by step and finally completed the function. This kind of complicated and

abstract thinking process could be challenging. I should practice more on such complex programming.

This project could fo deeper with some more data to analyze the key factors which influence the house price. Combined with its location, I could build a model to identify which kind of house is worth investing in.