

# Real Estate Zip Code Investment Analysis

By: Jonathan Holt  
Data Scientist

---

---

# Why I'm Here

---

**You want to be smarter about where to invest in real estate.**

**“What are the 5 Best Zip Codes to Invest in?”**

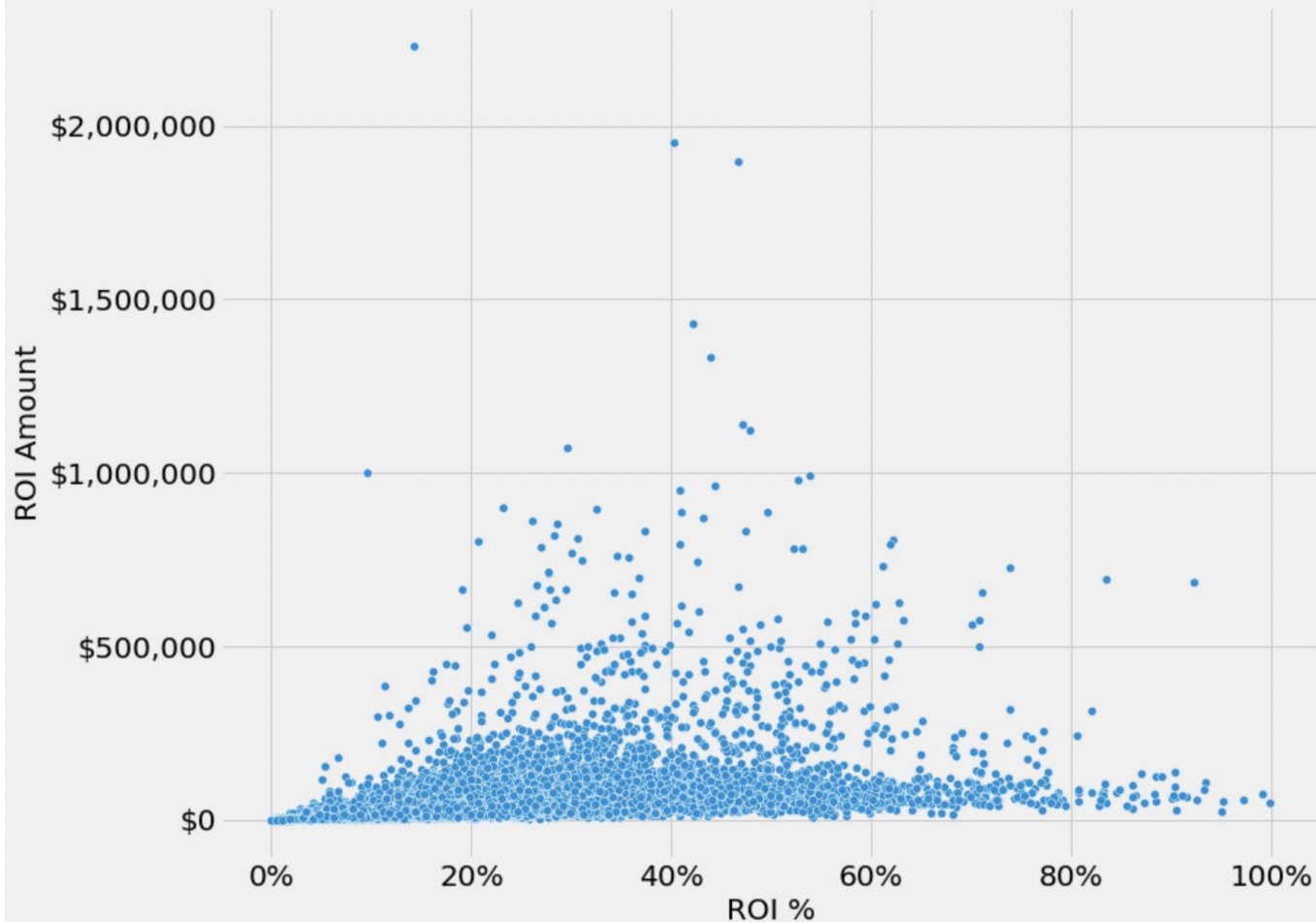


## Target Zip Codes

Recently performed at  
or near the criteria that  
you have given me.

Develop and Run  
Models to make  
predictions into the  
future.

3 Year ROI Amount vs ROI %



## Criteria

### Timeframe

3 Year Investment

### Price

\$350,000 - \$500,000.

### Return On Investment

Most successful = 50% ROI or more.

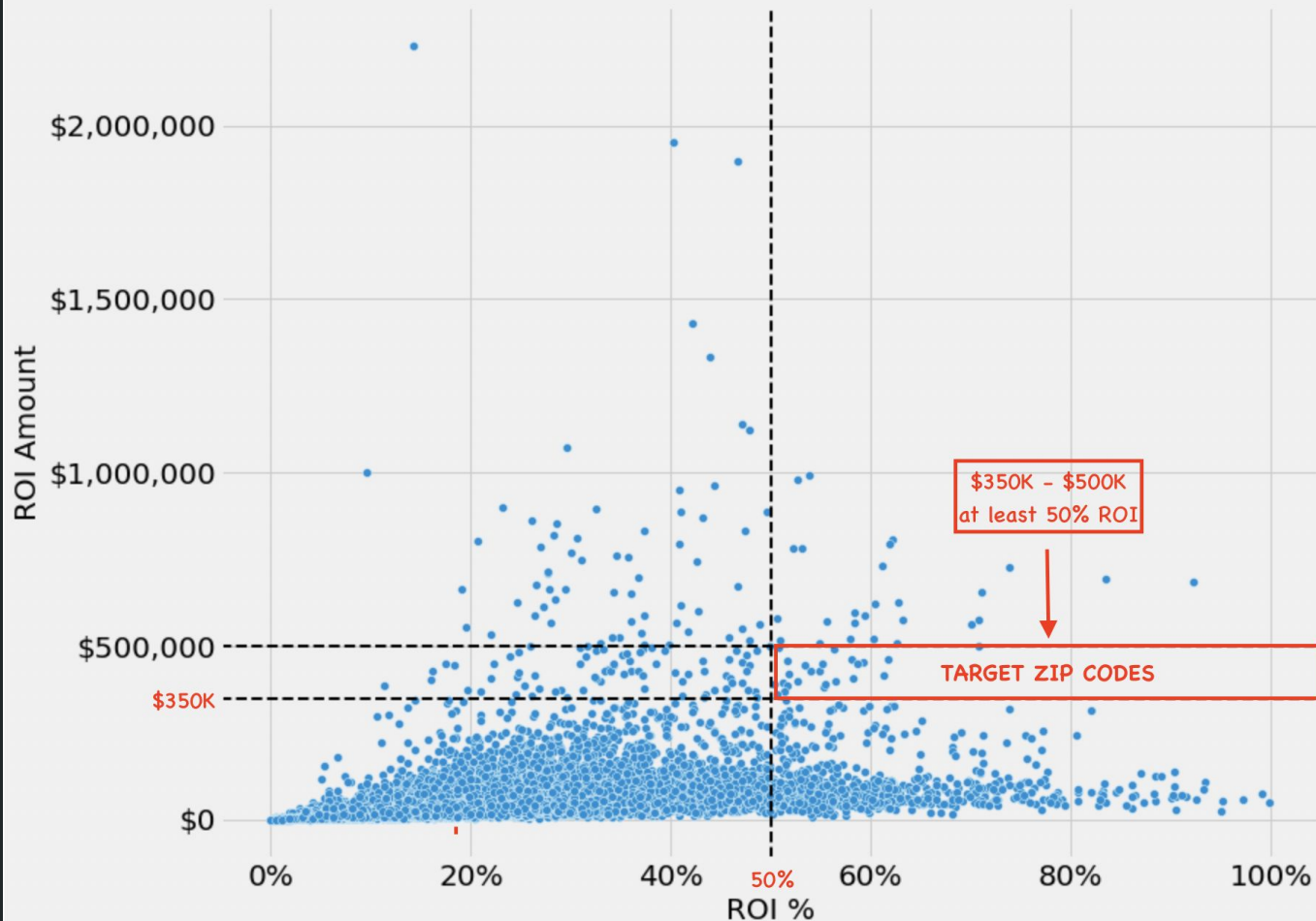
### Risk

Low

### Geographic Diversity

Each Zip Code in a different State

## 3 Year ROI Amount vs ROI %



## Criteria

### Timeframe

3 Year Investment

### Price

\$350,000 - \$500,000.

### Return On Investment

Look at areas that have had 50% ROI or more.

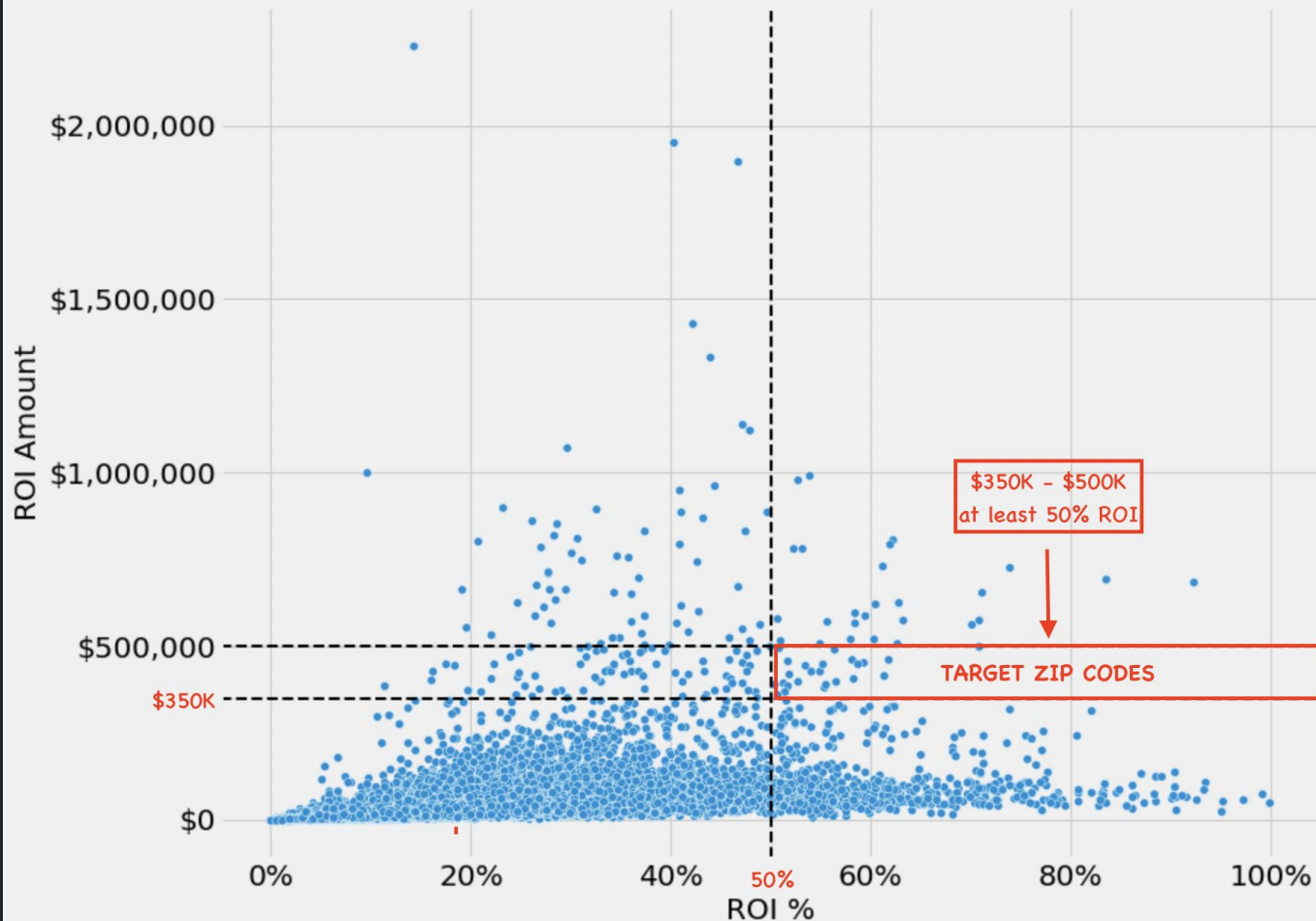
### Risk

Low

### Geographic Diversity

Each Zip Code in a different State

## 3 Year ROI Amount vs ROI %



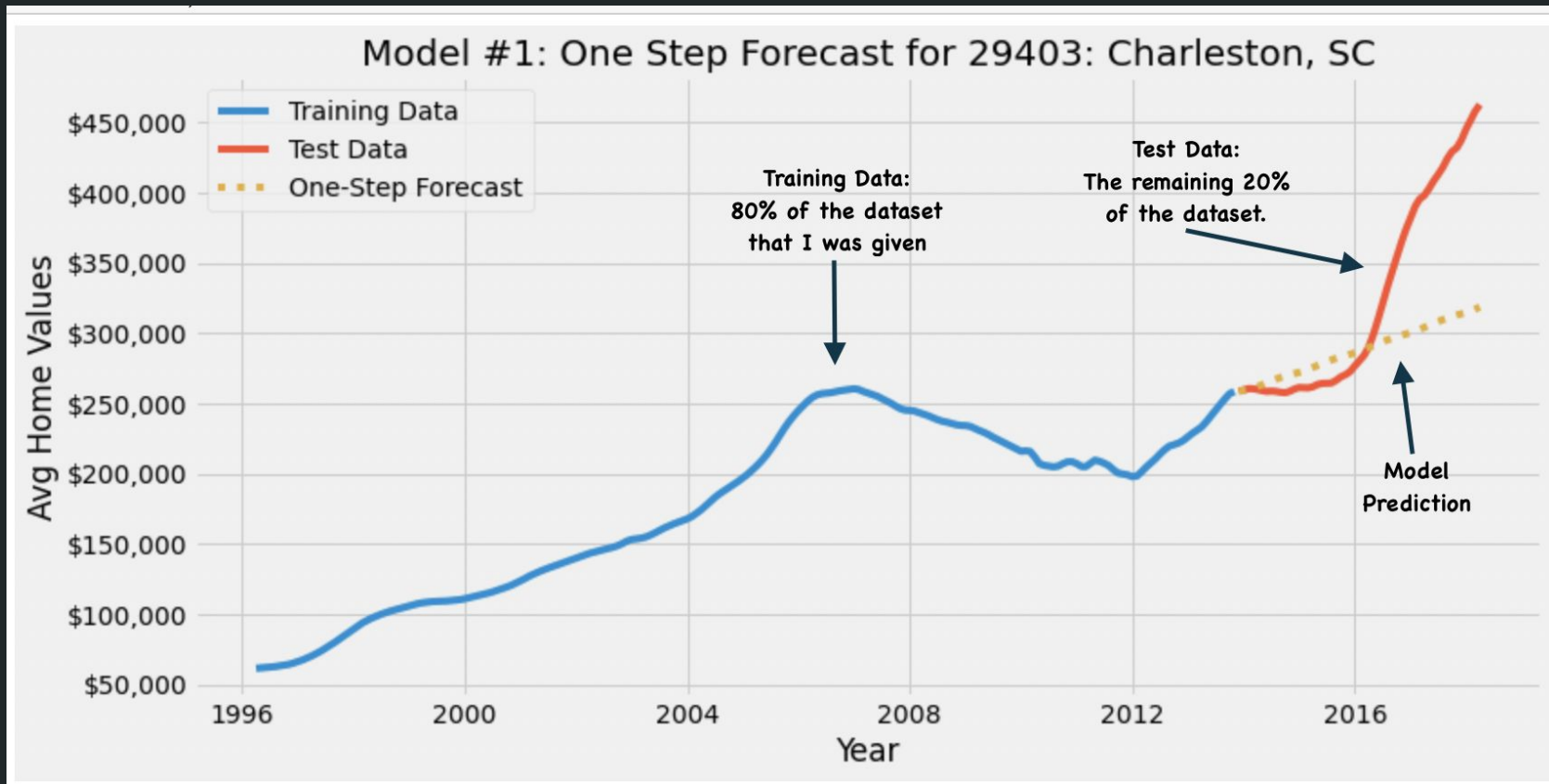
## Modeling

In the 'Target Area' there are roughly 20 Zip Codes.

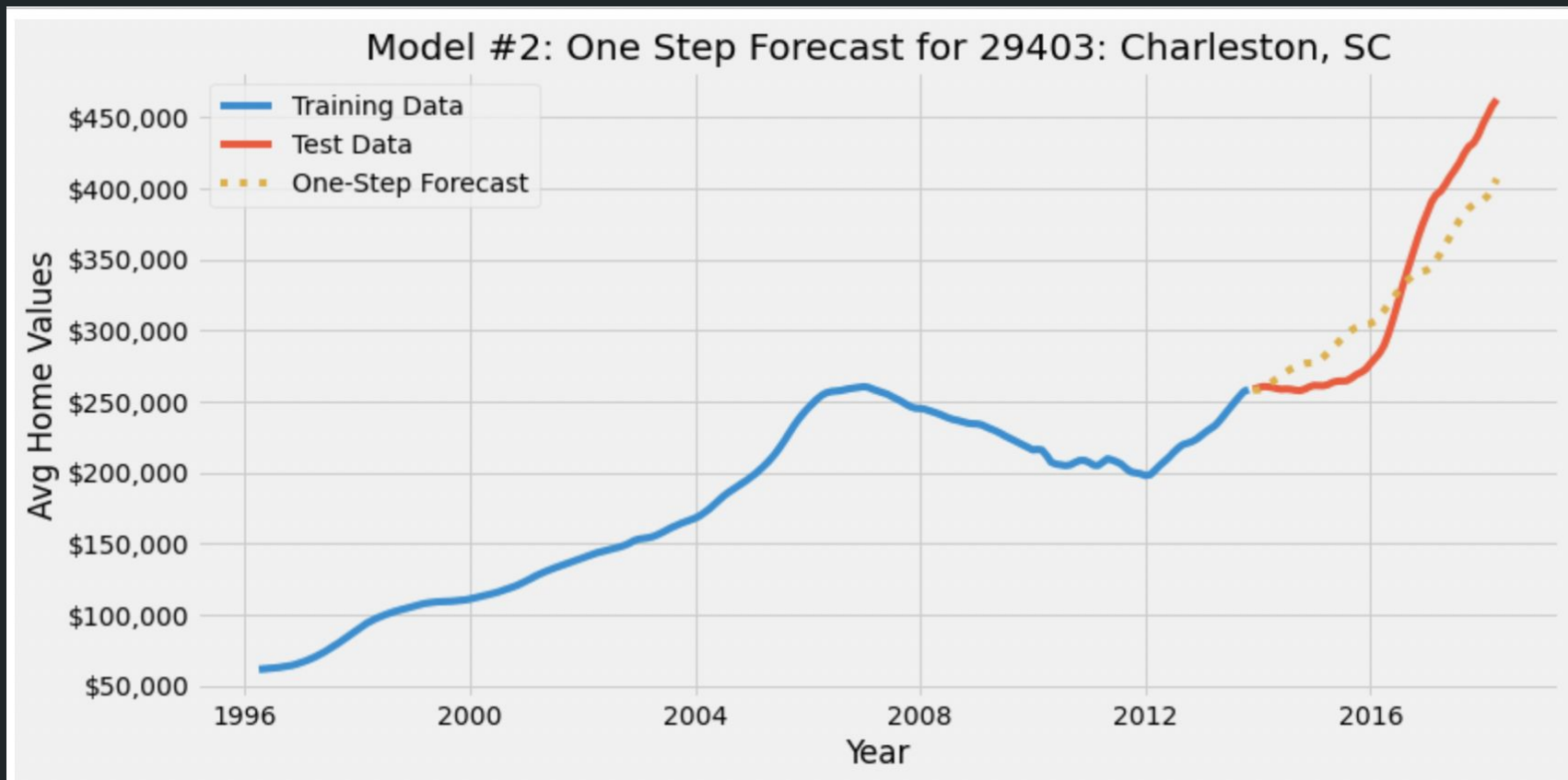
Each Zip Code is modeled individually on a unique model.

Test and evaluate 2 models for each Zip Code and then proceed with the better performing model.

# Model 1 Prediction

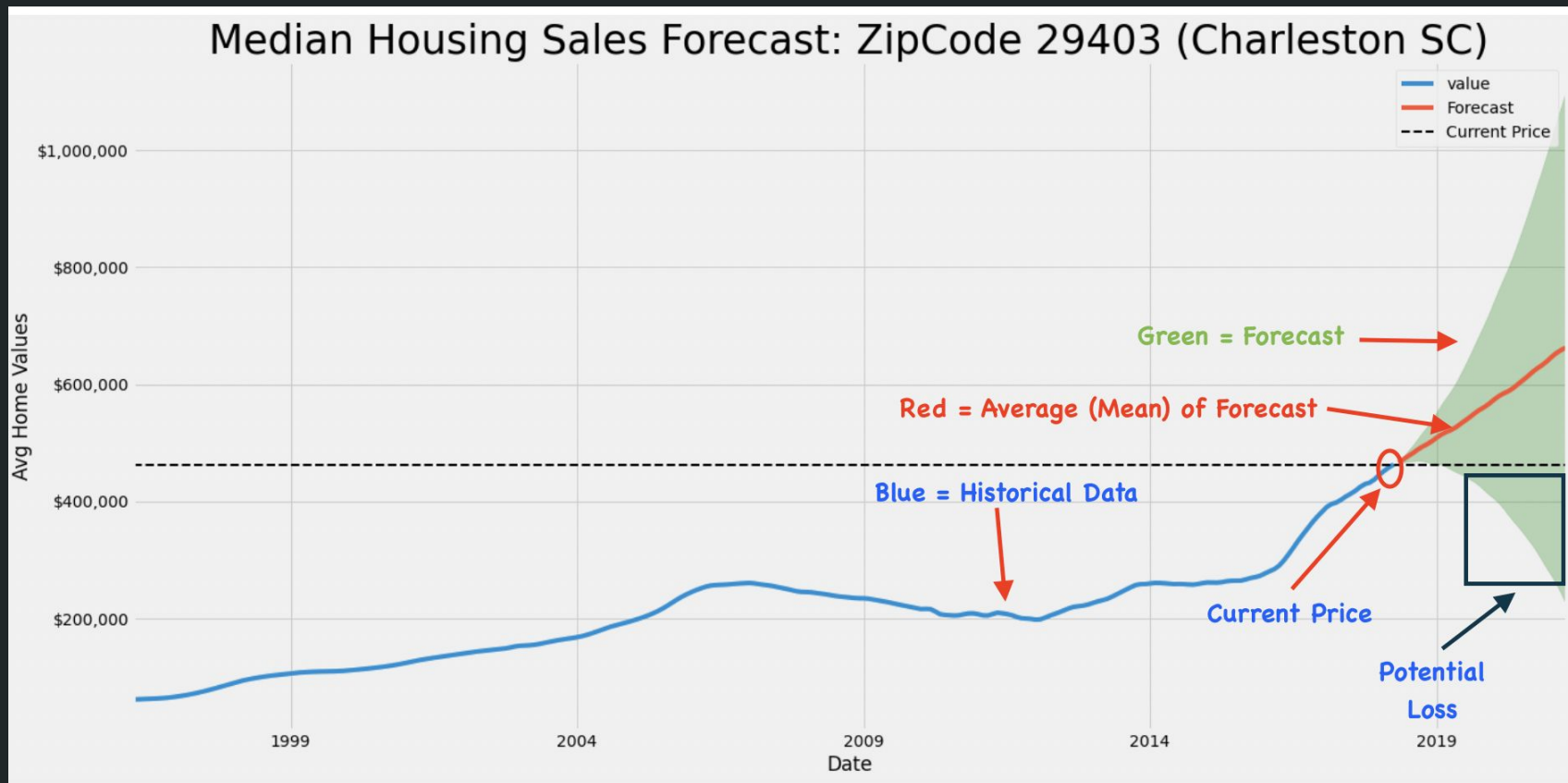


## Model 2 Prediction

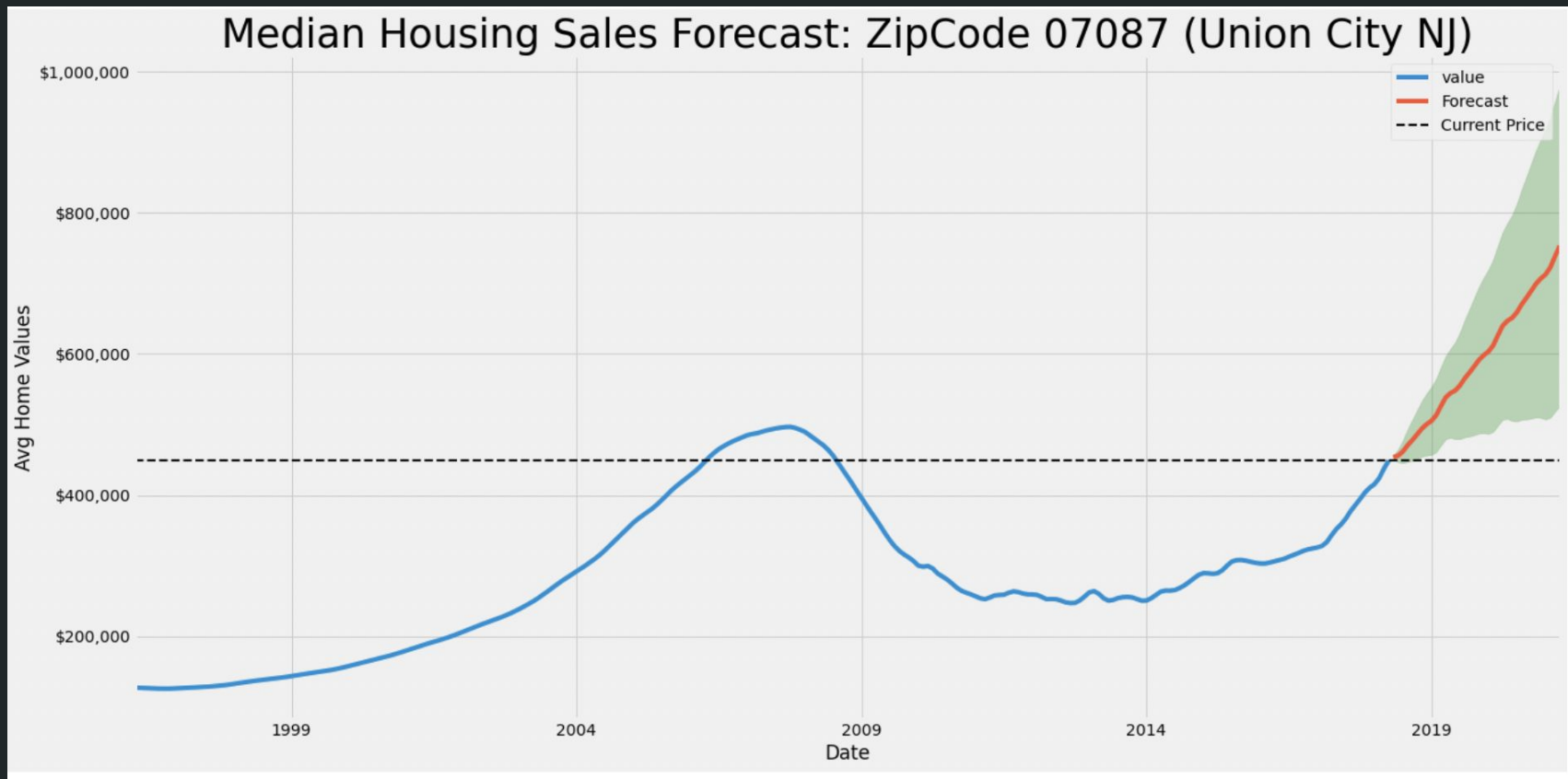




# Full Forecast



# What I'm Looking For



## Results: Top 5 Zip Codes

**37046: College Grove, TN**

**02128: Boston, MA**

**80204: Denver, CO**

**07087: Union City, NJ**

**98359: Olalla, WA**

## Current Price & Forecast ROI 2018-2020



# Further Recommendations

- Continue this Process
    - I was limited by time and resources available to me. I recommend running this model on more Zip Codes in more states, and at other price points to find more great investment opportunities.
  - Reduce the Investment Time Requirement to 2 Years.
    - Two more zip codes meet all other requirements and would make great investments.
  - Accept more Risk.
    - Striving for little-to-no risk is good, but if you increase your threshold to just “low” risk, it opens up many more opportunities.
- 
-

## Further Recommendations

**ACT NOW!!!**

These recommended zipcodes are all rapidly increasing in value. The longer you wait, the higher the cost of entry is going to be!

---

---

Thank you for your time.

Do you have any Questions?

---