

Assessing the Value of Your Client's Home in King County

By Ethan Kunin



Agenda

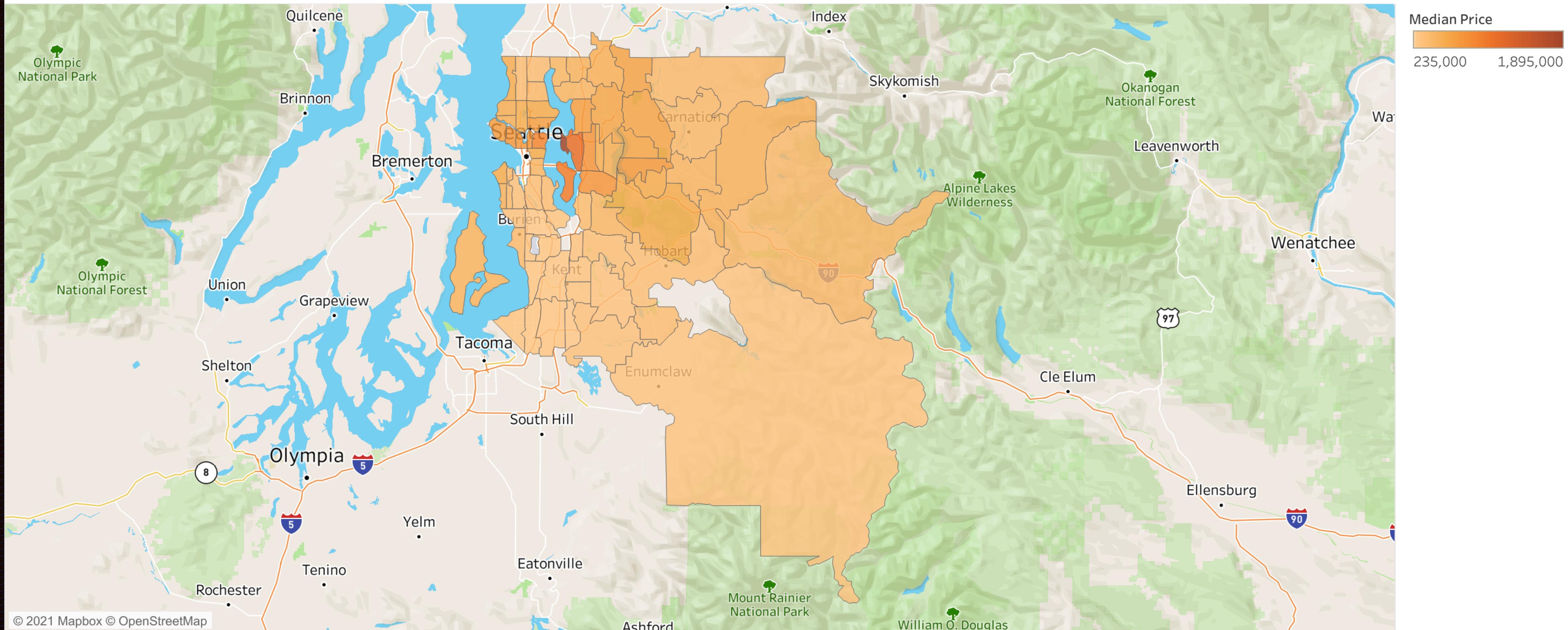
- Overview of King Country
- How to accurately **assess** the value of a home in King County
- Share how your client can **increase** their home value
- Final thoughts

King County Overview

- **Population** of nearly 2.5 million residents (16% increase in the past 10 years)
- 970,301 **housing units**
- Median **home value** of \$549,200
 - \$397,900 for the state of Washington
- Median **gross rent** of \$1,606
 - \$1,359 for the state of Washington
- 17,919 **building permits** in 2019

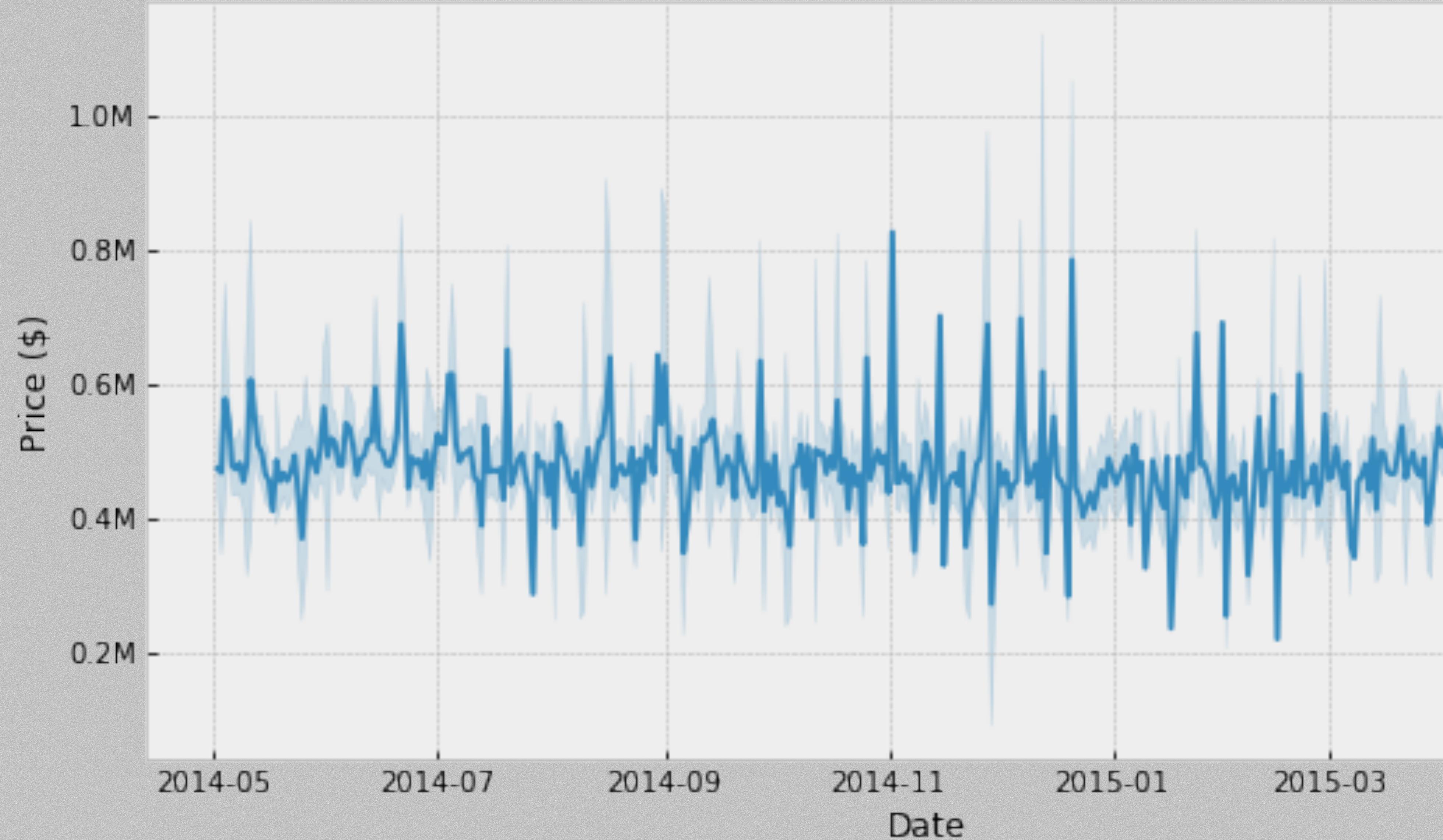


King County Zipcodes by Median Price



Timing the market is nearly impossible

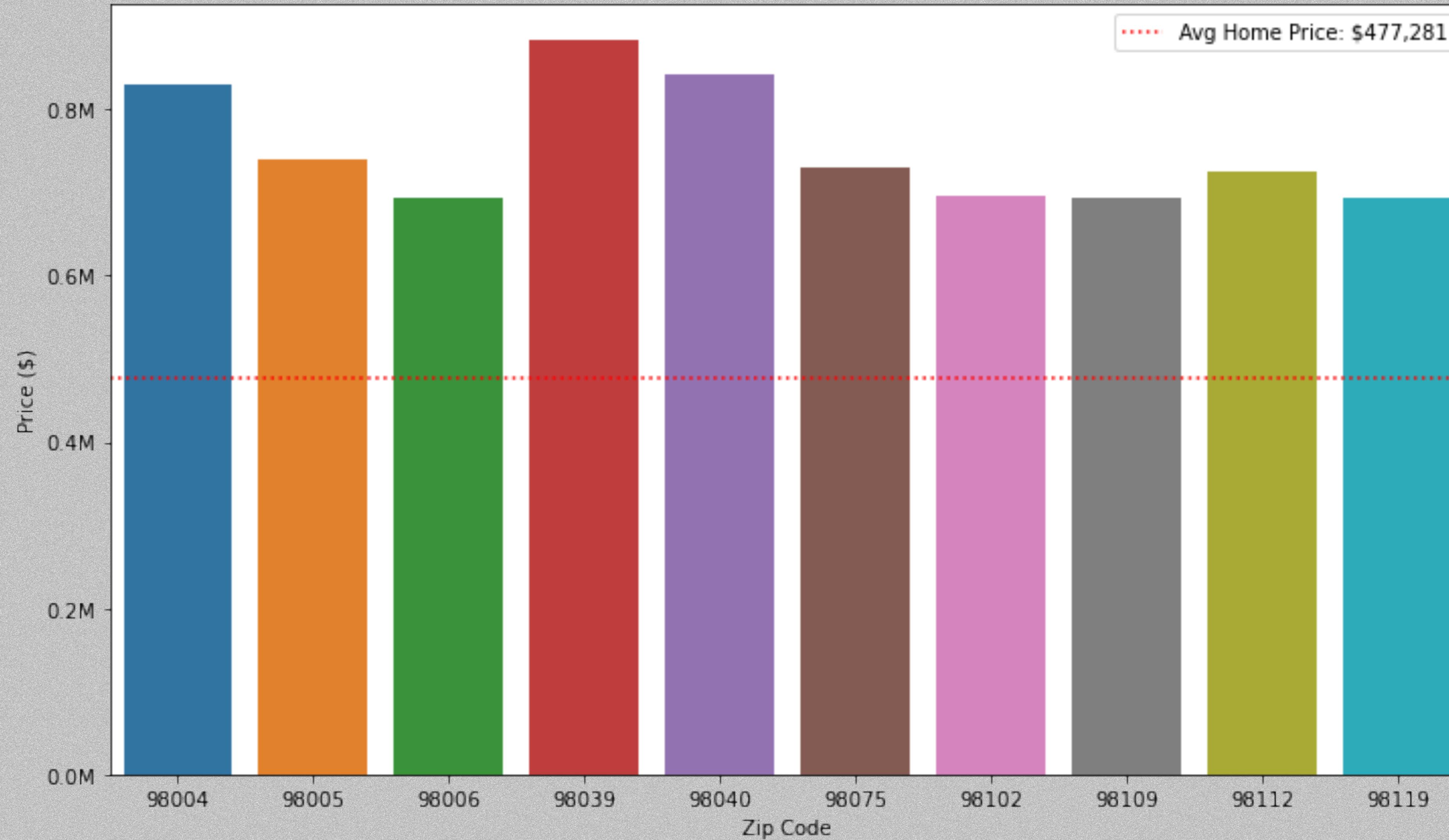
Month to month home prices are highly erratic



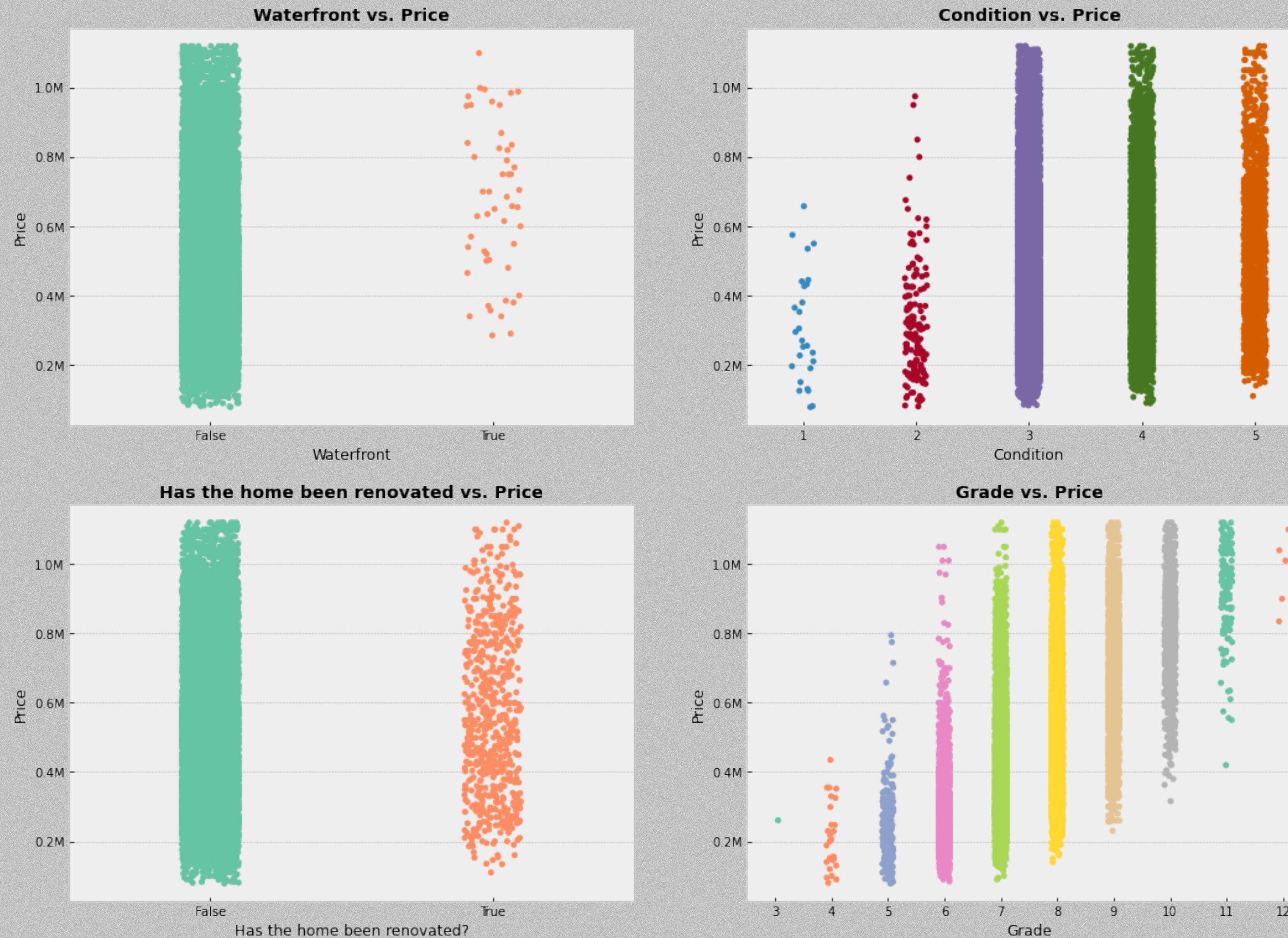
Focus on enhancing your client's home to increase value

- LOCATION, LOCATION, LOCATION.... But seriously....
- Zip code is the most impactful feature for determining the price of a home
- After zip code comes **waterfront** location, the size of **your home versus the average neighbor's home**, recent **renovation**, and **grade** determined by the city housing council
- **Bedrooms, basement** and proportion of **home size/lot size** have a negative relationship with price
 - Homes with more bedrooms, basements and smaller backyards tend to perform poorly on the market

Top 10 Most Expensive Zipcodes



Highly Impactful Features



Changes the client can make:

1 Standard Deviation increase increases the home price by:

Grade: +\$42,056

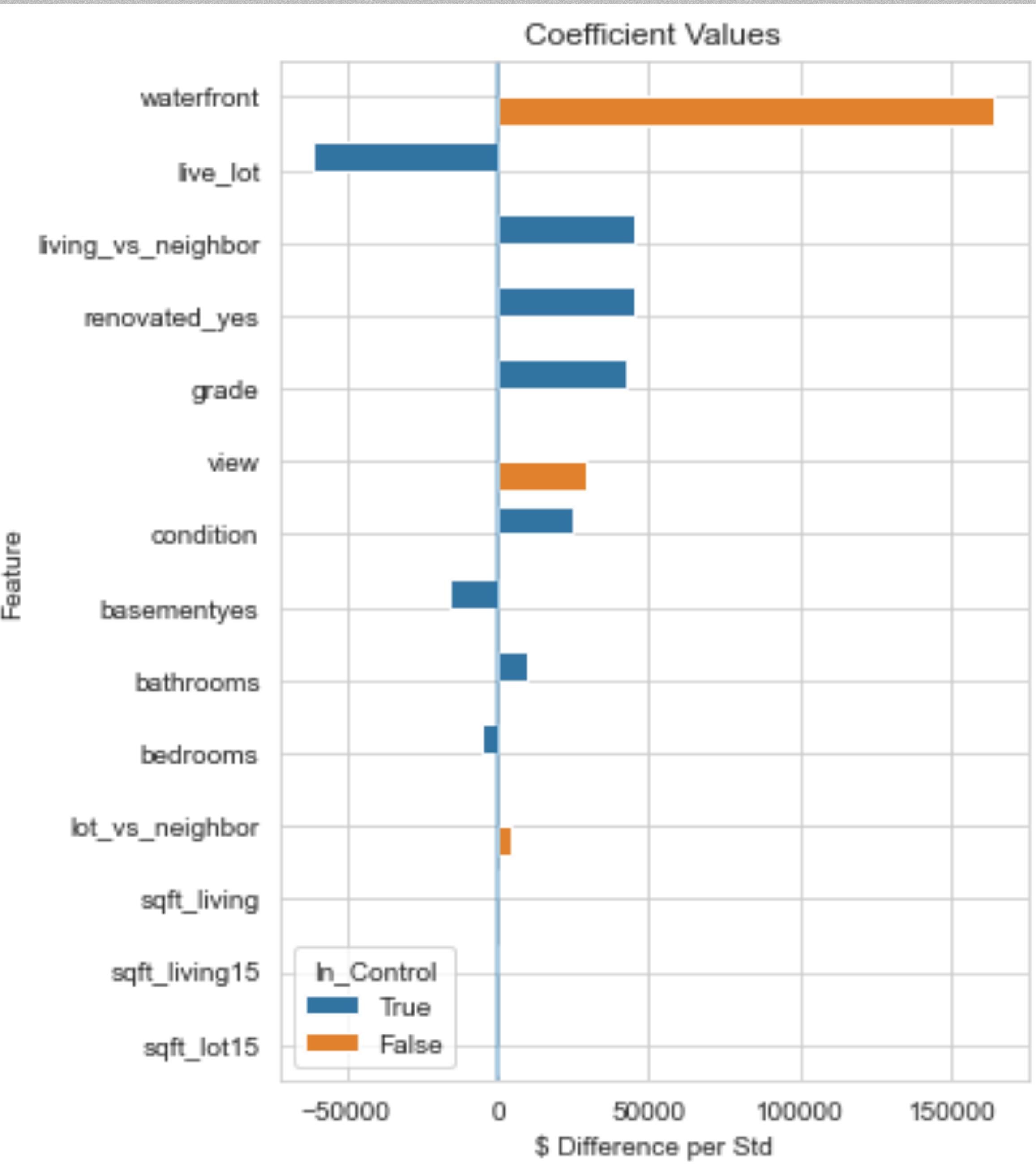
Condition: +\$25,147

Bathroom: +\$9,536

1 Standard Deviation increase decreases the home price by:

Basement: -\$60,847

Bedroom: -\$16,074



Inferential Capabilities

- The model can accurately infer the value of homes priced between \$78,000 and \$1,120,000
- Based on a sample of 21,387 homes, 95% fell within this price range
- The model is designed to **infer** an existing homes current vale, **NOT predict** what it will be worth in the future