

# KING COUNTY HOUSE SALE MARKET

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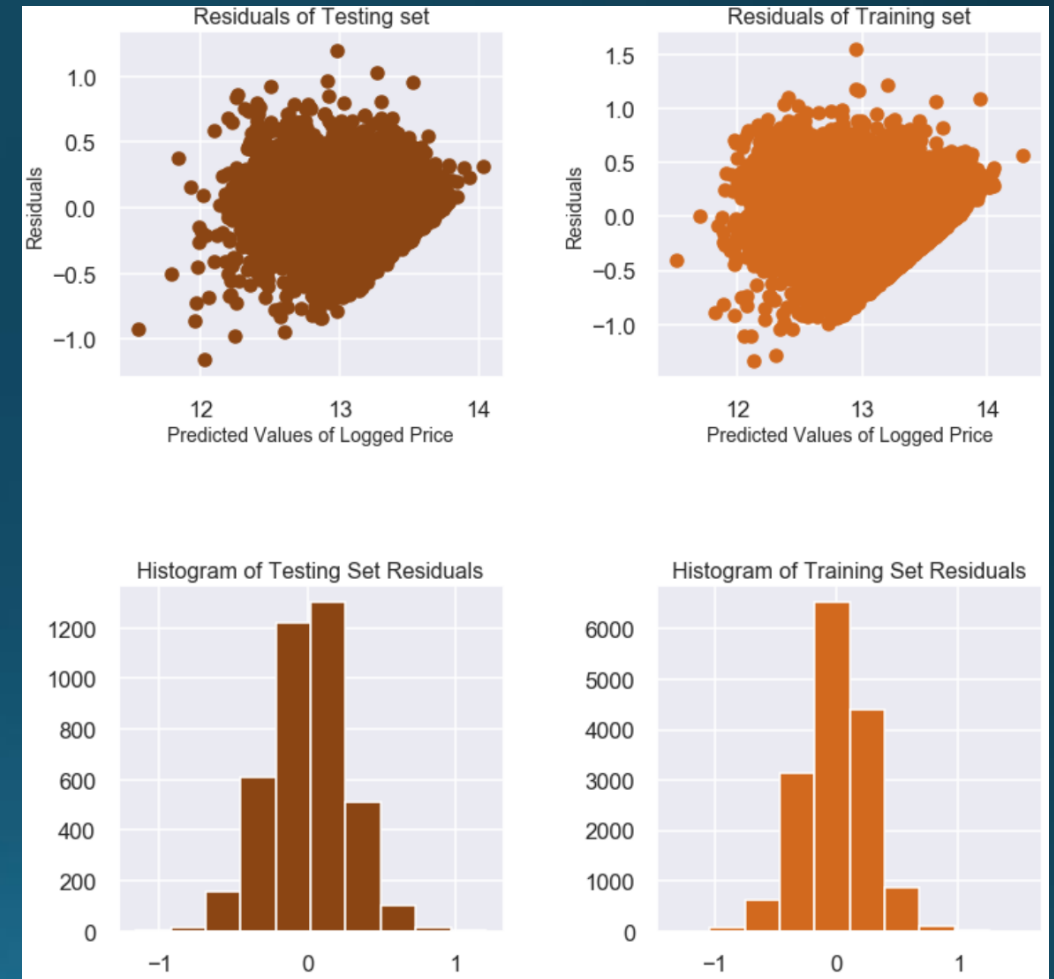
# OBJECTIVES

A real estate company wants to invest in one of the fastest growing cities in the U.S.: Seattle

- Identify and invest in undervalued houses
- Sell houses at or greater than its true value

# OVERVIEW

- Out of 21,600 original data points, used 19,700
- Used multiple regression analysis to predict house price in King County, WA from given 19 predictors



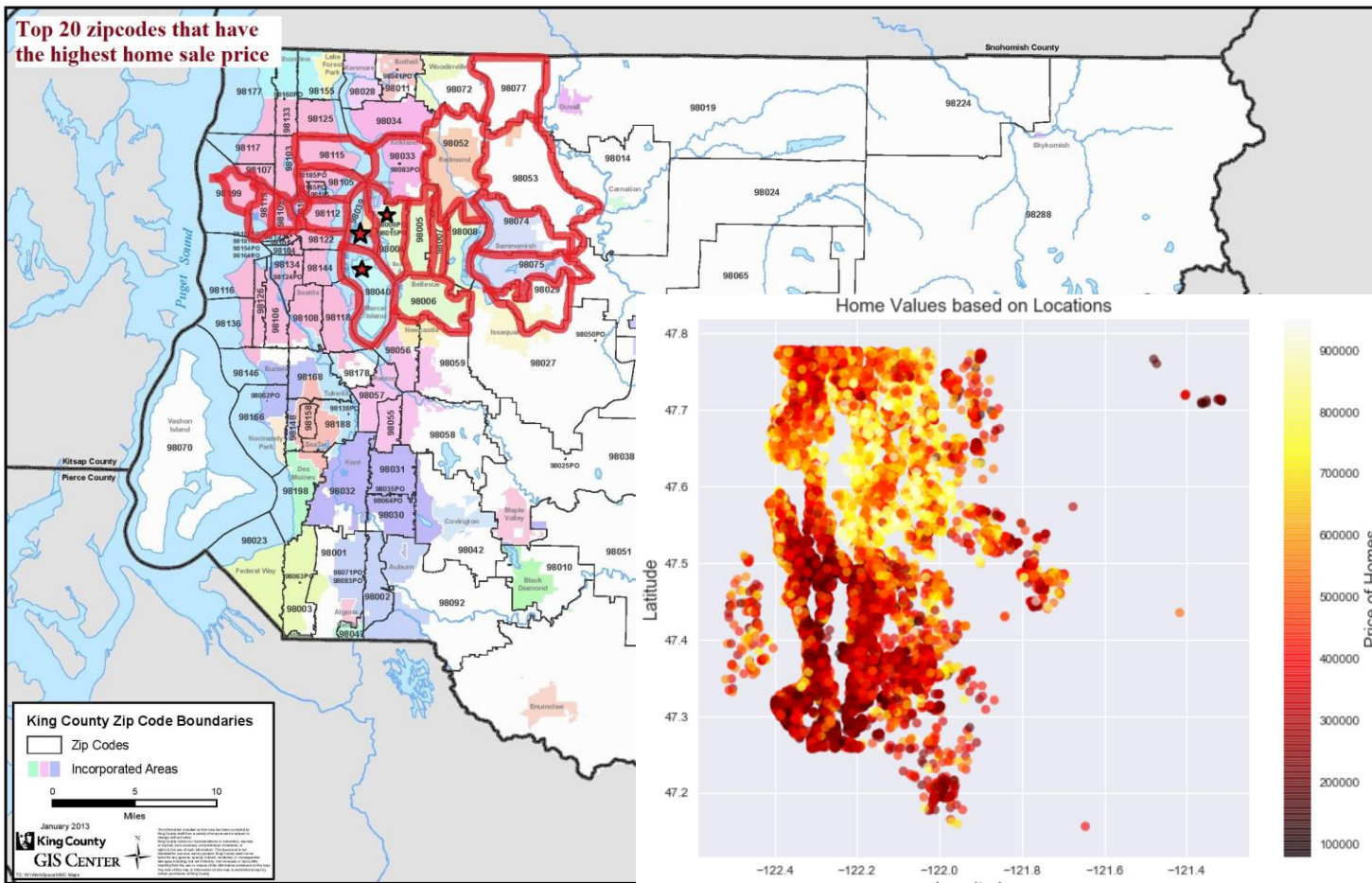
# FACTORS AFFECT HOME PRICE

$$\ln(\text{Price}) = \text{grade } (0.207) + \text{latitude } (1.397) + \text{bathrooms } (0.114) \\ + \text{condition } (0.099) + \text{waterfront} * (0.602) - 55.58$$

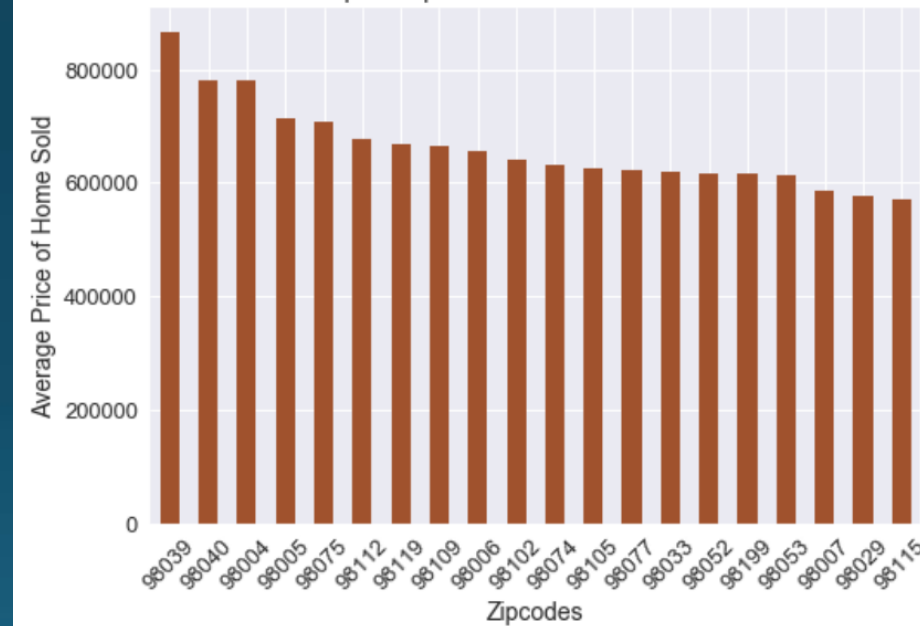
- Price increases as latitude increases
- Waterfront view has the second greatest impact: 83% increase
- Grade increased by 1 unit, price increases 23%
- More bathrooms, higher price: correlation with footage of the house: 12%
- Condition increased by 1 unit, price increases 10%

# EXPENSIVE AREAS

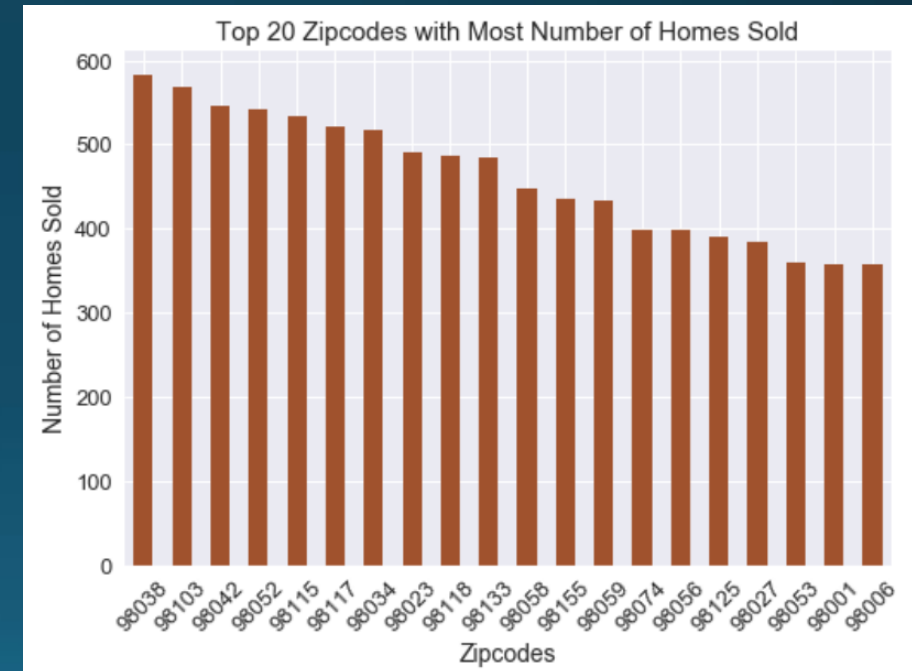
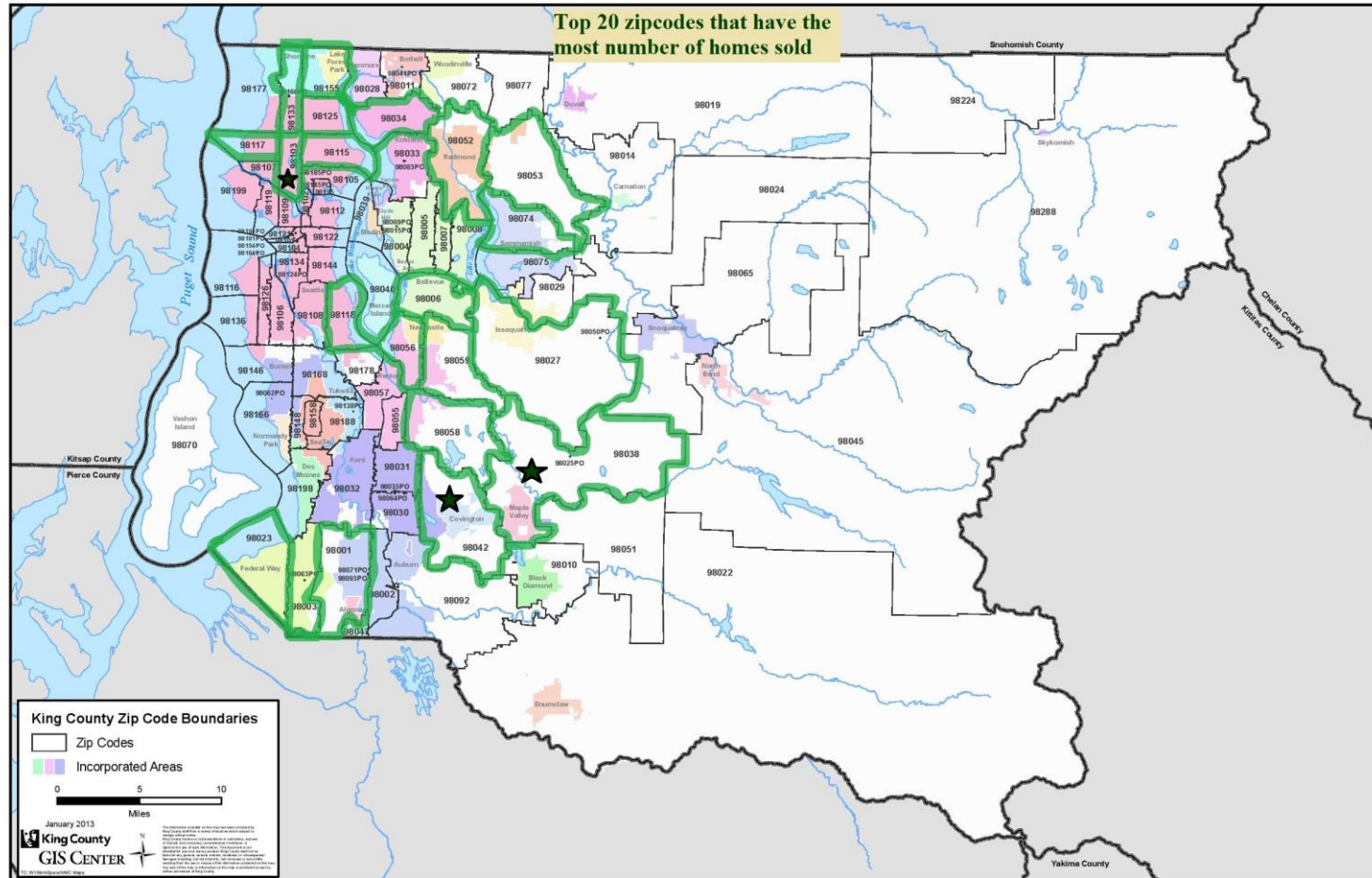
Top 20 zipcodes that have the highest home sale price



Top 20 Zipcodes for Home Sale Prices



# ACTIVE SALE AREAS



# CONCLUSION

Top 3 features that have great impact on home price

1. Location
2. Waterfront view
3. Grade of the house

# FUTURE ANALYSIS

Depend on different needs in understanding the housing market

- Date sale
- Year built – year renovated
- Number of floors



Thank  
you!