

# Zillow Investments

Time-Series
Analysis

# **Our Goal**



- 1 Find zipcodes that have the highest ROI
- Select 5 zip codes to invest \$90 \$110k
- Predict the price of properties in zip codes 2 years ahead

## The Data



- 14723 properties in the original dataset
- little missing data, data provided by Zillow.
- 'Metro' has missing values but not needed

# Criteria for investing in property

#### CHECKLIST



- Price is between \$90K \$110K
- Relative Standard Deviation / Coefficient of Variance of price in 0.6 quartile

# Zip codes to invest in

Zipcode: 14889, City: Van Etten - ROI: 0.28

Zipcode: 74726, City: Bokcito - ROI: 0.85

Zipcode: 14304, City: Niagra Falls - ROI: 0.26

Zipcode: 37722, City: Cosby - ROI: 0.21

Zipcode 65723, City: Pierce City - ROI: 0.90

# Risks

- Unknown global financial crisis can cause drastic price drops
- Time taken to sell a property can mean investment is tied up longer than desired
- Crime rate, natural disasters, local politics can gave negative impact on property prices

## Conclusion



- 'Black Swan' events can't be predicted
- <sup>2</sup> Property prices generally trend up
- Buy high performing properties and look at selling on shorter time frames

### **Future Work**



- Incorporate additional datasets along with neural networks for better timing
- Look at investing in more liquid financial instruments that are traded for frequently to reduce risk and inprove model

