EVERY DOOR
REAL ESTATE

HOME KRAKEN

Predict Home Value to Maximize Total Agency Commission

Home Kraken™ | Data Science Tools for Real Estate

Executive Summary

Home Kraken™ prediction tool maximizes commission value for Every Door Real Estate

- Predict home value within $92K
- List homes priced to sell so you can maximize commission
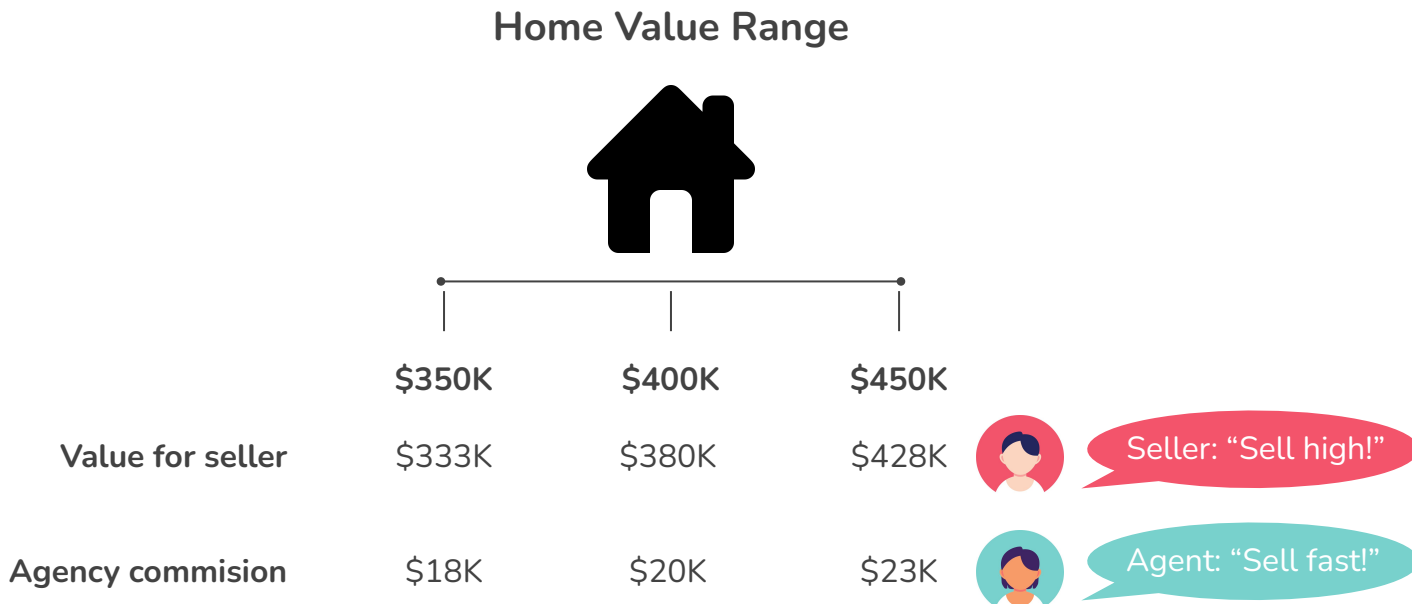- Identify high ROI home improvements

Business Problem

Every Door needs to sell homes and maximize value for its clients

Agents and their clients have competing incentives

Home Value Range

	$350K	$400K	$450K
Value for seller	$333K	$380K	$428K
Agency commision	$18K	$20K	$23K

Seller: "Sell high!"

Agent: "Sell fast!"

Sell homes quickly and delight your clients with accurate home value predictions

HOME
KRAKEN

The Home Kraken Advantage

- Set home prices that will sell

- Push back on unrealistic client expectations

- Increase home value with proven investment areas

Data & Methods

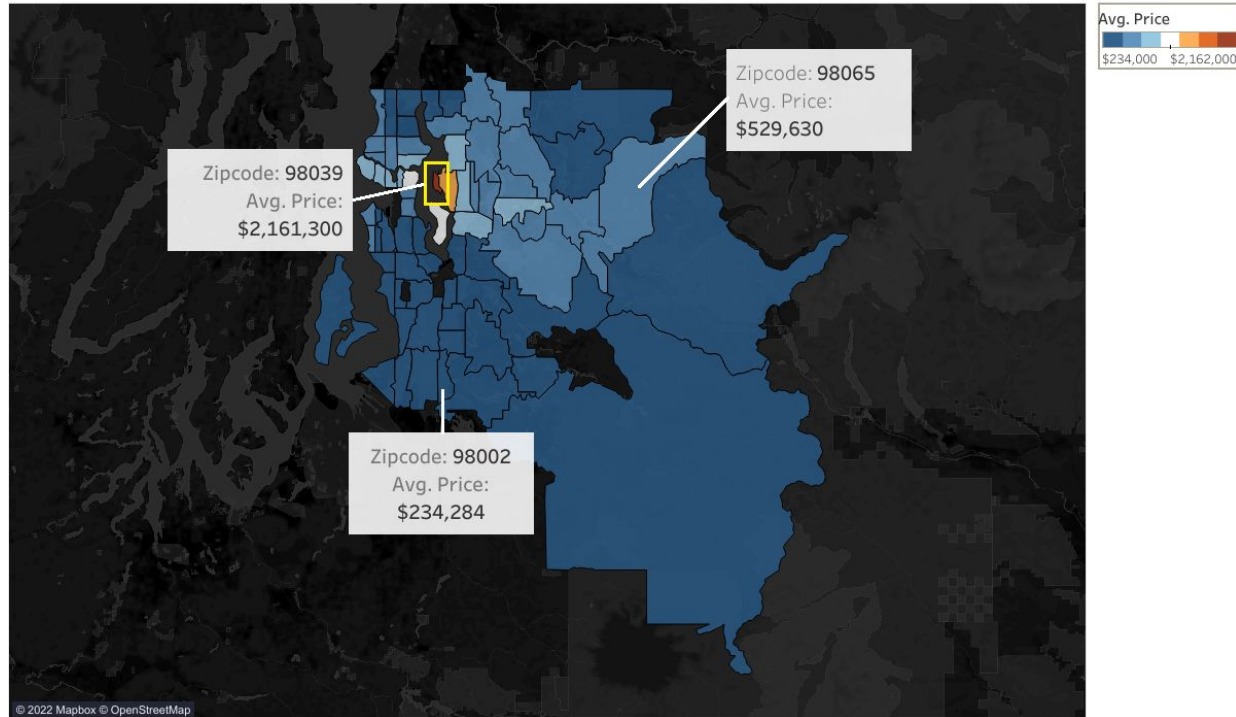# ~22K King County Home Sales Analyzed

- 2014 - 2015
- Prices ranged from $78,000 to $7.7 million

Model trained on eight factors influencing home value

- Living space sqft
- Zip code
- Renovation status
- Home condition
- + more

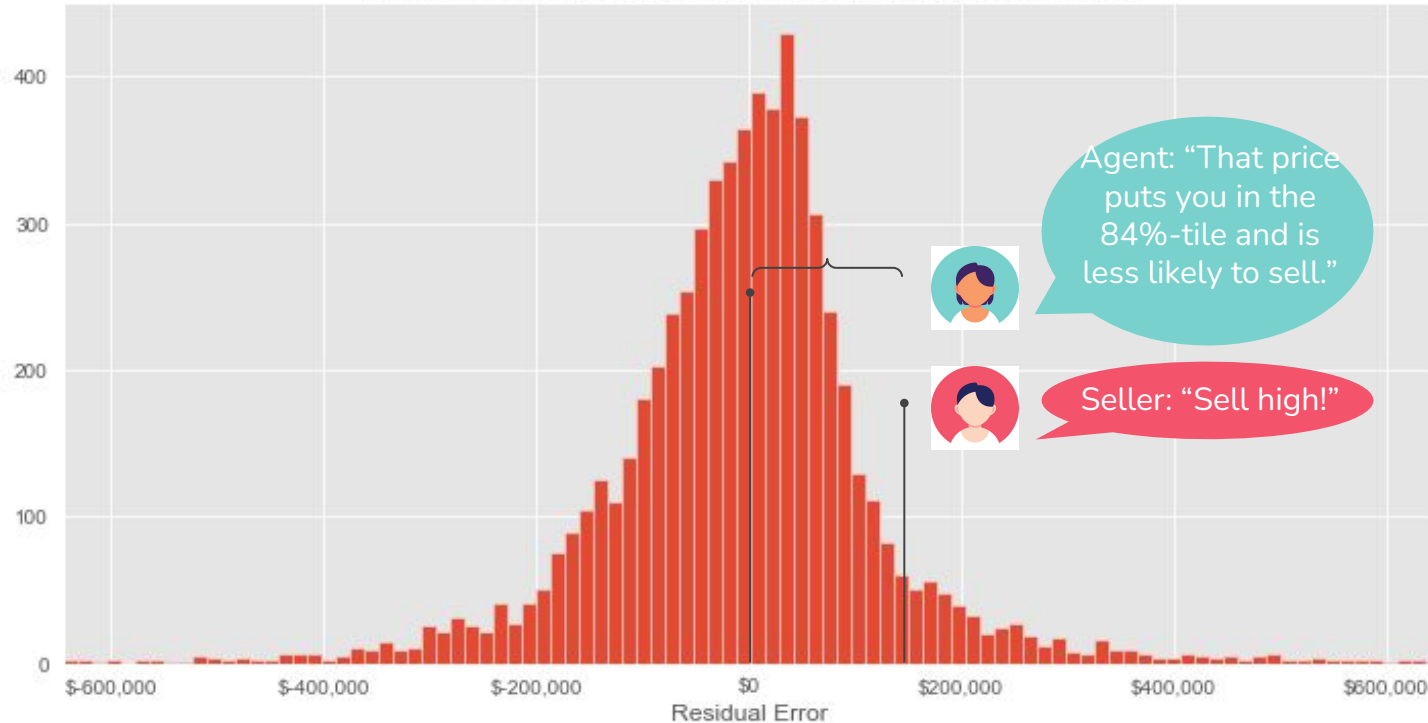Average Sale Price by Zipcode

Avg. Price
$234,000 $2,162,000

Zipcode: **98065**
Avg. Price:
$529,630

Zipcode: **98039**
Avg. Price:
$2,161,300

Zipcode: **98002**
Avg. Price:
$234,284

© 2022 Mapbox © OpenStreetMap

Model Results

Predict home values with 80% accuracy

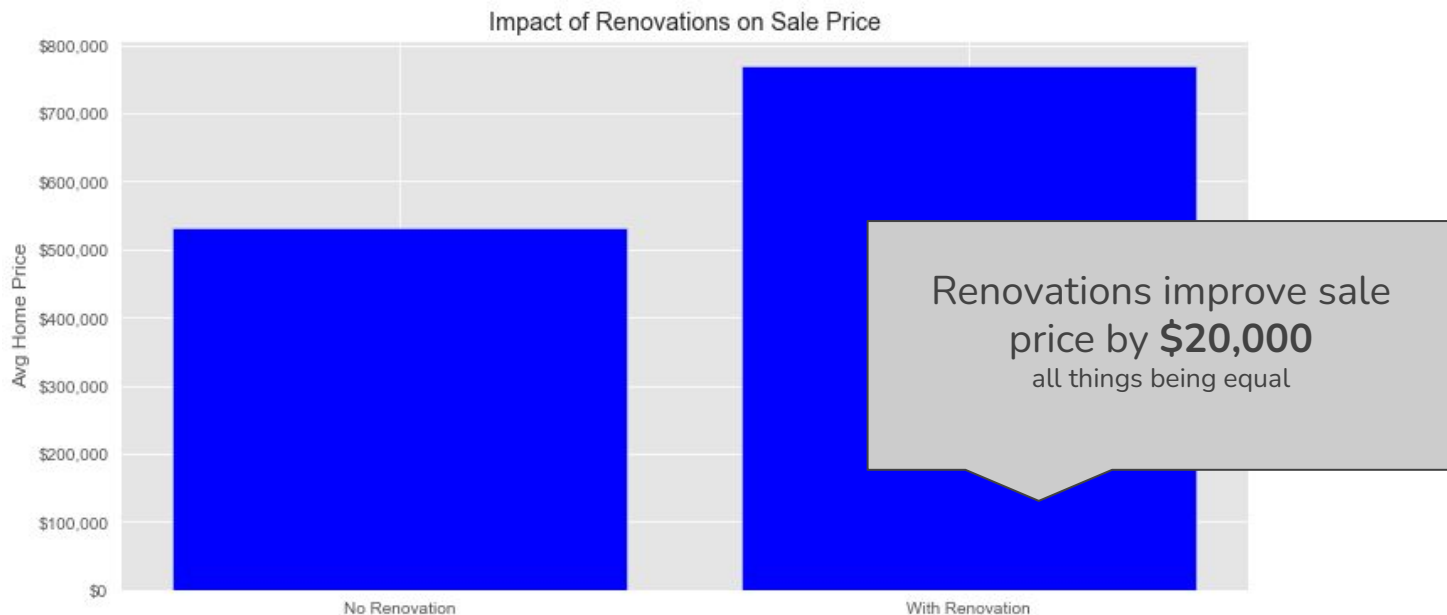Home Pricing Model Accuracy

Push-back on unrealistic client expectations

Gap Between Seller Expectations and Home Kraken Model

Increase home value with proven investment areas

Impact of Renovations on Sale Price

Avg Home Price

$800,000
$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0

No Renovation   With Renovation

Renovations improve sale price by **$20,000**
all things being equal

Increase home value with proven investment areas

Impact of Condition on Sale Price

Homes in very good condition increases price by **$54,000** all things being equal

Next Steps

Together we can improve model performance and your commissions

Model Limitations

- Model leaves 20% of changes in price unexplained
- Variable interactions reduce our model's predictive capabilities

Next Steps

- Further refine model inputs based on your target market
- Capture recent market trends with up-to-date data

Thank You

Any questions?

HOME KRAKEN

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