

NOVEMBER 9, 2018

ANDREW WESTER
**FLATIRON DATA SCIENCE
MODULE 1 PROJECT**

KC HOUSING DATA

The Question: What are the biggest factors affecting housing prices in King County, Washington?

Hypothesis: Housing prices are most affected by the total square footage (combined basement and living room) relative to the grade assigned by the King County Assessors office.

By examining the effect of a high or low grade on the house and the total square feet per house, there will be an effect seen on the price of the houses.

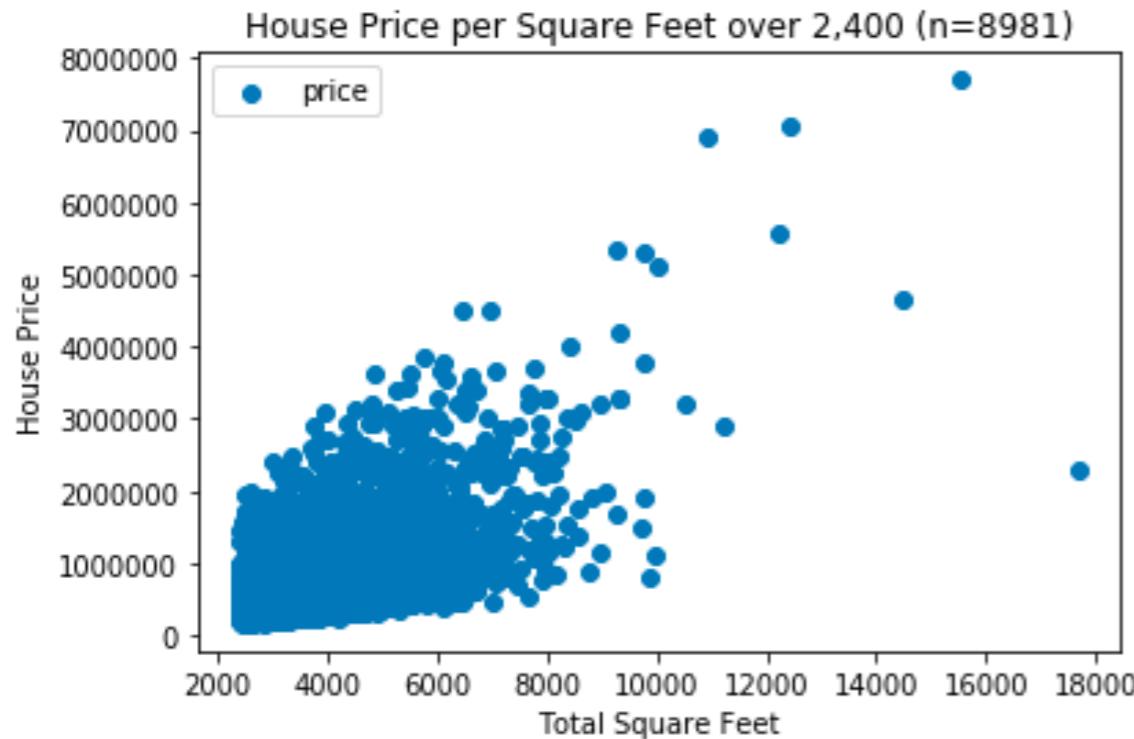
COMMON FACTORS AFFECTING HOUSING PRICES

- ▶ King County Housing Grade (Range from 1 to 13)
 - ▶ A grade of 8 from King County, Washington is considered: "***Just above average in construction and design. Usually better materials in both the exterior and interior finish work.***"
 - ▶ Homes graded ABOVE 8 sold on average for 1.87 times the price of houses BELOW 8
- ▶ Total Square Footage per Home
 - ▶ Average per home sold was 2,366 square feet
 - ▶ Homes with more than 2,400 square feet sold on average for 1.84 times the price of houses with less than 2,400 square feet

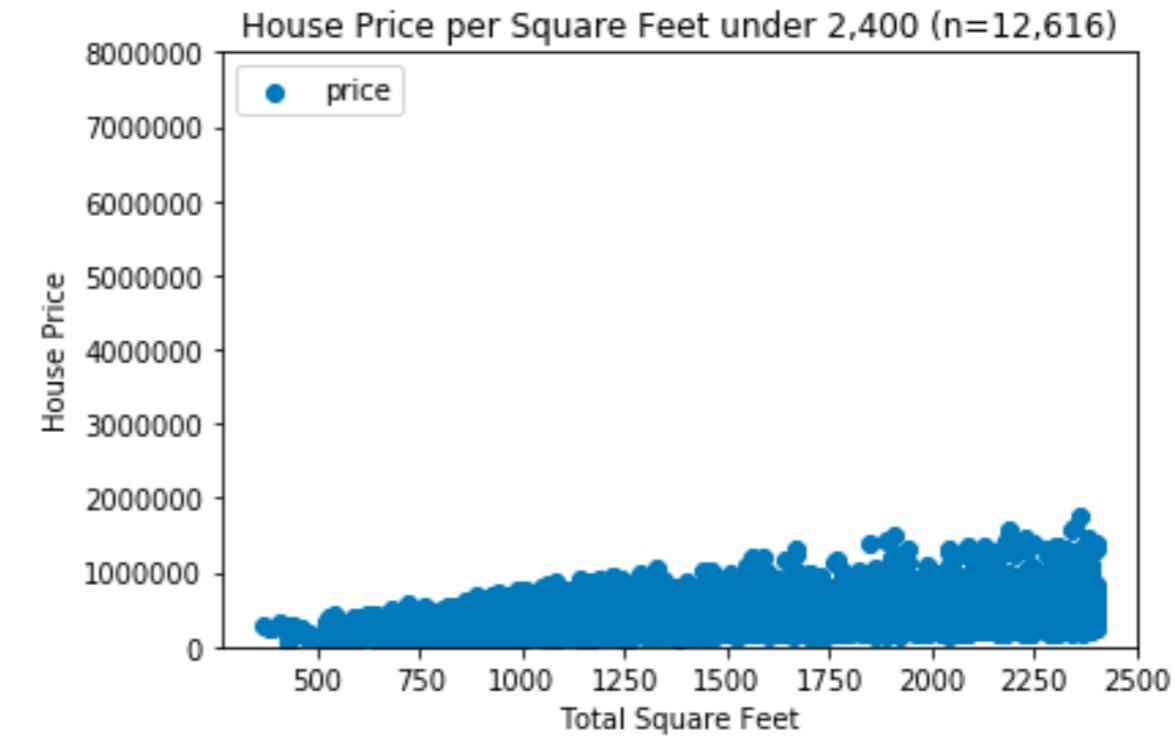
VALUE OF TOTAL SQUARE FEET AND GRADE

- ▶ 184% increase in price with more than 2,400 square feet
 - ▶ Average price for houses with 2,400 square feet or less was \$400,684
 - ▶ Average price for houses with more than 2,400 square feet was \$736,416
- ▶ 187% increase in price with grade of 8 or higher
 - ▶ Average price for houses with Grade of less than 8 was \$380,296
 - ▶ Average price for houses with Grade of 8 or above was \$714,926
- ▶ 27.5% of houses with more than 2,400 square feet were given a grade below 8
- ▶ 69.8% of houses with less than 2,400 square feet were given a grade below 8

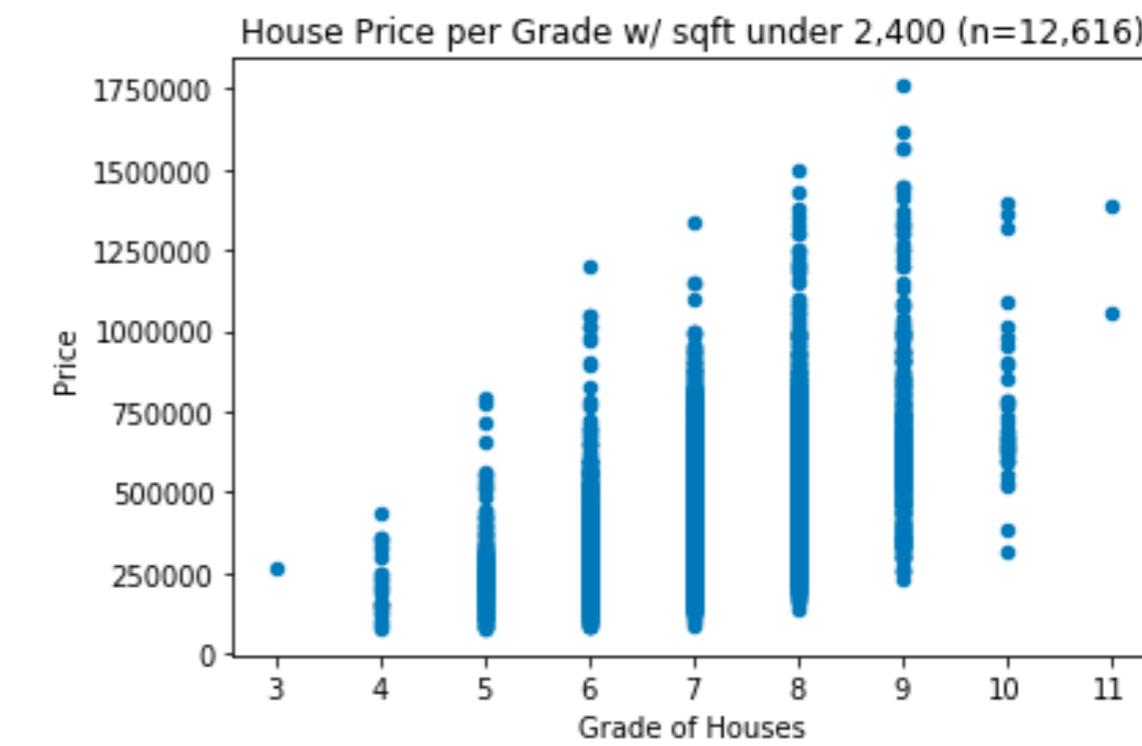
FLATIRON MODULE 1 PROJECT - ANDREW WESTER



Houses > 2,400 ft²



Houses ≤ 2,400 ft²





RECOMMENDATIONS:

- ▶ If renovating, better to use high quality materials and processes
- ▶ King County's Grading system holds sway on home values
 - ▶ Houses graded ABOVE 8 sold on average for 1.87 times the price of houses BELOW 8
- ▶ Adding Square Footage to a House will Increase Value
 - ▶ Houses with total Square Feet over 2,400 sold for almost 2 times the price of those below

