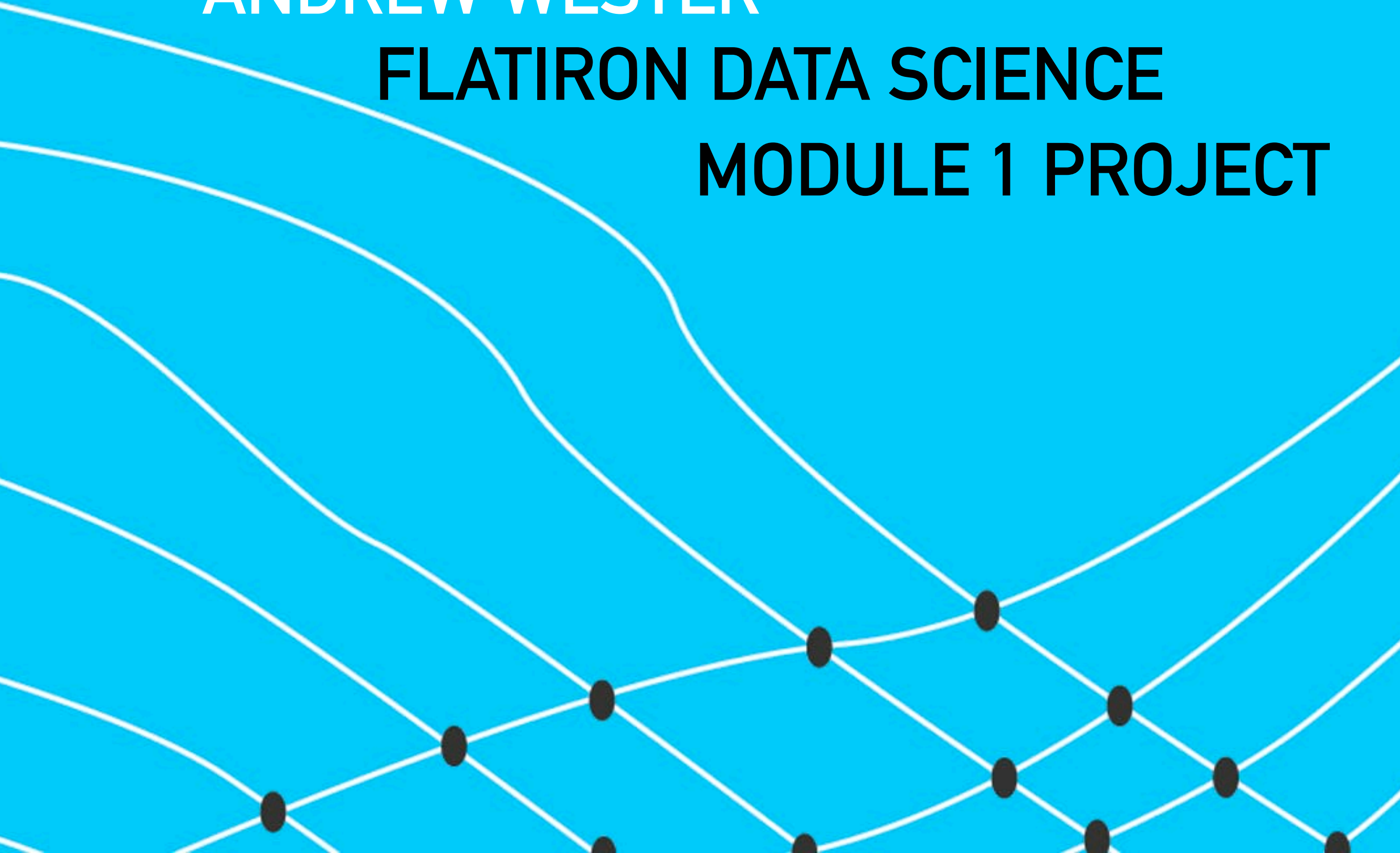


NOVEMBER 9, 2018

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.*

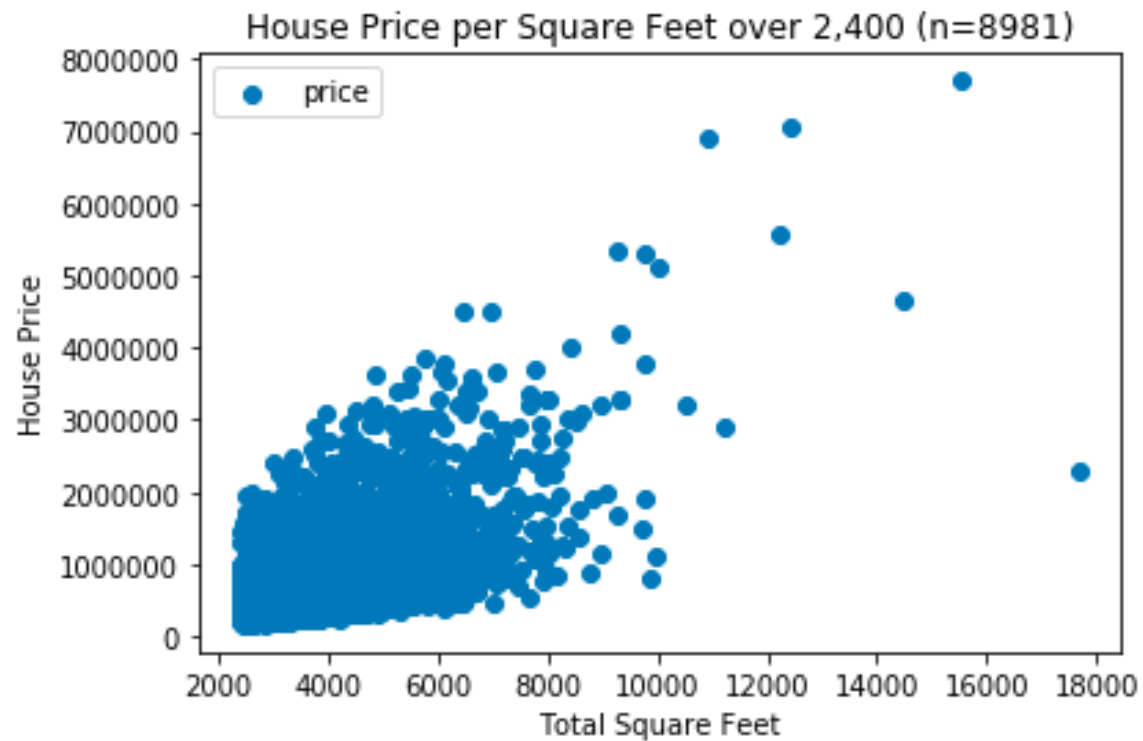
## COMMON FACTORS AFFECTING HOUSING PRICES

- ▶ 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

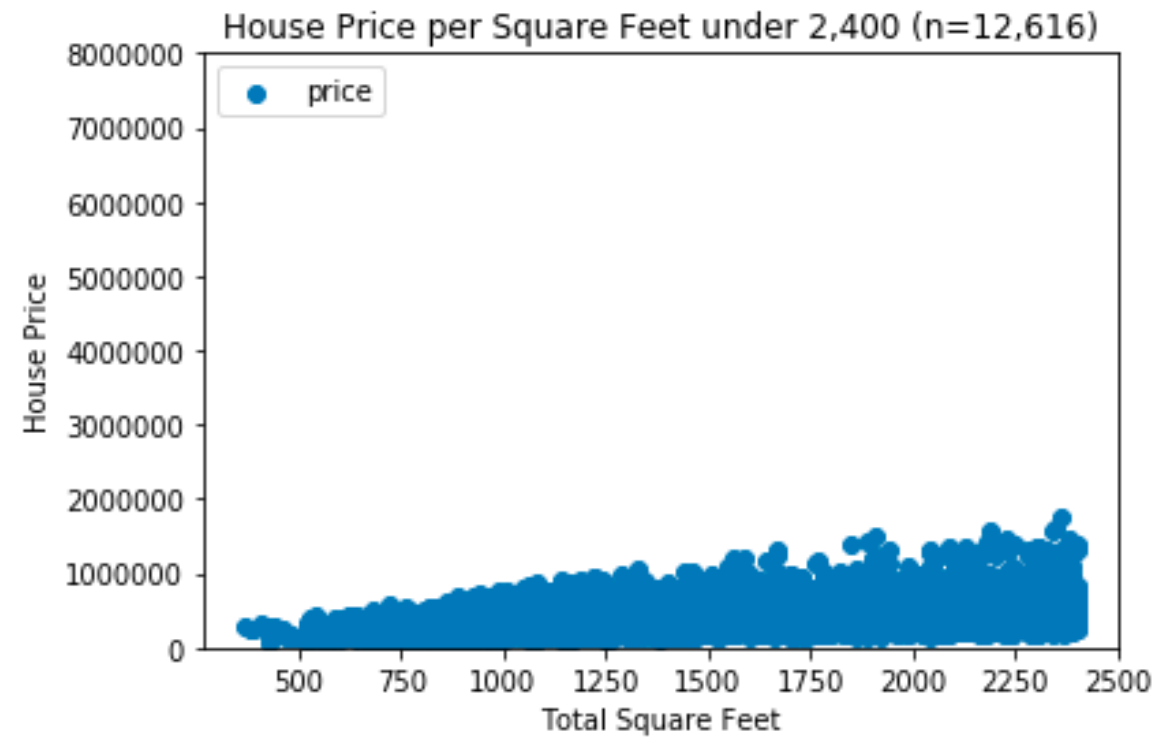
## VALUE OF TOTAL SQUARE FEET AND GRADE

- ▶ 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

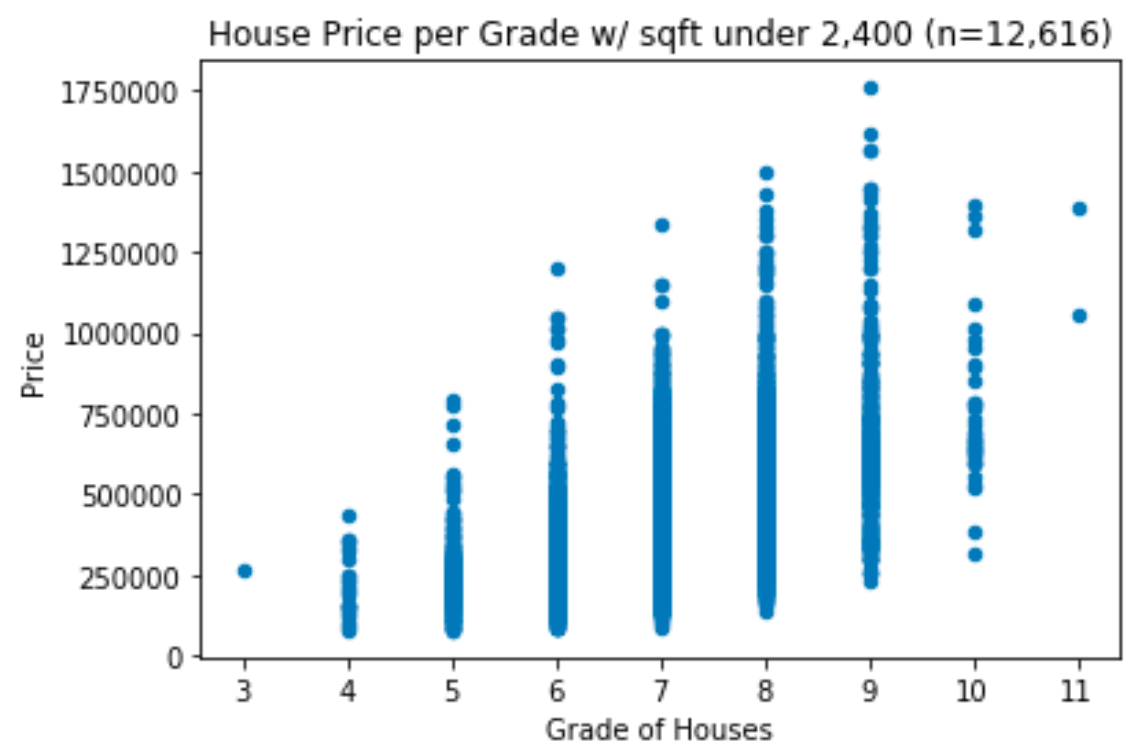
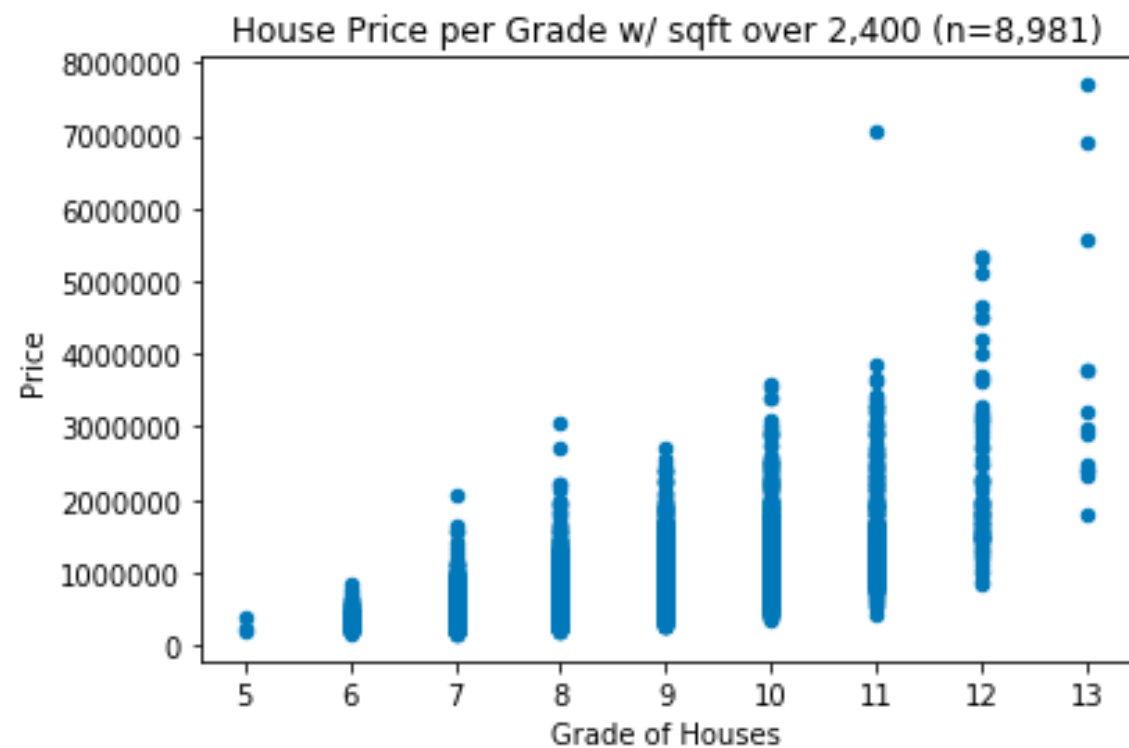
# FLATIRON MODULE 1 PROJECT - ANDREW WESTER



Houses > 2,400 ft<sup>2</sup>



Houses  $\leq$  2,400 ft<sup>2</sup>





## 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

