House Price Estimate Report - UUID: 858ecef3-3e08-416f-9a7d-1d3cded84716

Detailed Justification for the Predicted House Price 1. House Features The house in question boasts three bedrooms and three bathrooms, which is a favorable configuration for families or individuals seeking additional space. The total house size of 920 square feet is relatively modest, suggesting that the property is likely suited for smaller households or those looking for a starter home. The lot size of 0.12 acres is typical for urban or suburban settings, providing a manageable outdoor space without the burdens of extensive maintenance. The combination of these features indicates that the property is functional and meets the basic needs of potential buyers, which is reflected in the predicted price of $77,780.18. 2. Model Predictions Consistency The model predictions, which consistently indicate an average and median price of $77,780.18, suggest a stable valuation based on the data input into the model. The use of linear regression implies that the model has taken into account various factors such as house size, number of bedrooms and bathrooms, and potentially other market dynamics. The consistency in the average and median prices indicates that there is a uniformity in the market for similar properties in the area, reinforcing the reliability of the predicted price. Given that the predicted price aligns with the features of the house, it suggests that the model has accurately captured the essential variables influencing the local real estate market. 3. Location, Neighborhood, Crime Rate, Economic Status The house is located in Adjuntas, PR, within ZIP code 601. The economic indicators for this area present a challenging landscape. The median income of $18,571 is significantly below the national average, and the unemployment rate of 25.1% is alarmingly high. This economic backdrop contributes to a high poverty rate, with 63.3% of families and 66.2% of individuals living below the poverty line. Such economic conditions typically suppress housing prices, as potential buyers may have limited purchasing power. In terms of neighborhood safety, the crime statistics are relatively favorable, with an overall crime grade of "A" and property crime graded as "A+." This indicates that while the economic conditions may be challenging, the neighborhood is perceived as safe, which is a positive factor for potential buyers. The combination of a high homeownership rate (69.5%) and a low median rent ($401) suggests that many residents prefer owning homes, which could stabilize property values in the long term. 4. Notable Factors Affecting the Price Several notable factors influence the predicted price of the property. Firstly, the demographic composition of Adjuntas shows a significant majority of Spanish speakers (95.09%), which may affect the marketing and selling strategies for the property. Additionally, the educational attainment levels indicate that a substantial portion of the population has only completed high school or less, which may correlate with the lower median income and economic challenges faced by residents. Moreover, the presence of a significant veteran population (218 total) may also influence the local housing market dynamics, as veterans often have access to specific housing benefits and programs that could impact demand. The relatively high poverty and disability rates among veterans (42.2% and 27.98%, respectively) further underscore the economic challenges in the area, which could limit the pool of potential buyers. In conclusion, the predicted price of $77,780.18 for the house is justified based on a comprehensive analysis of the house features, model predictions, and the socio-economic landscape of the Adjuntas area. While the property offers a functional living space, the economic challenges and demographic factors present in the neighborhood play a significant role in stabilizing the housing market at this price point. The favorable crime rates provide a counterbalance to the economic difficulties, making the property an attractive option for buyers seeking safety and community despite the financial constraints prevalent in the area.