

What Influences My House's Value?

And is there anything I can control?

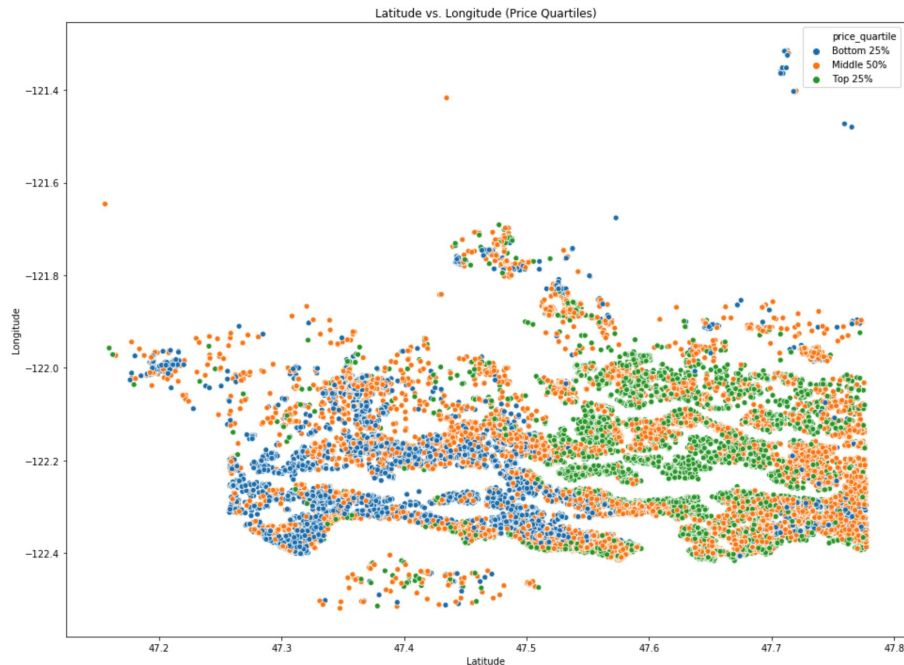
A King County House Sales Investigation

Location

*What you can't control,
but what controls your
house's value.*

Key Takeaways:

- Location matters
- Houses in the top 75% rarely neighbor houses in the bottom 25%
- Clusters of houses in each range with few other types of houses
 - If your house falls into one of these clusters, your house's value is unlikely to diverge from your area's typical price range.



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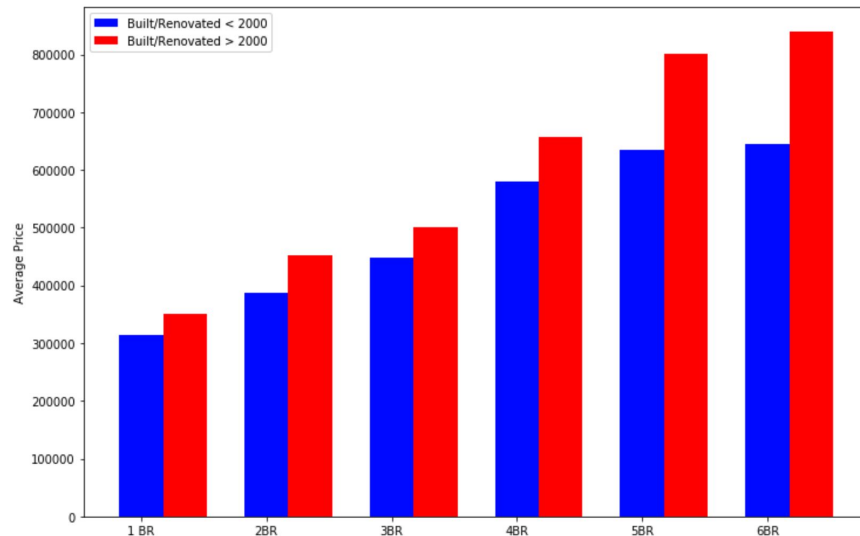
But What Can I Control?

Renovations

Comparing prices between houses built or renovated in the last 15 years vs. older houses

Key Takeaways:

- Newer houses have higher prices, across all house sizes (bedrooms)
- Bigger houses see a greater, nominal divergence in price after renovation

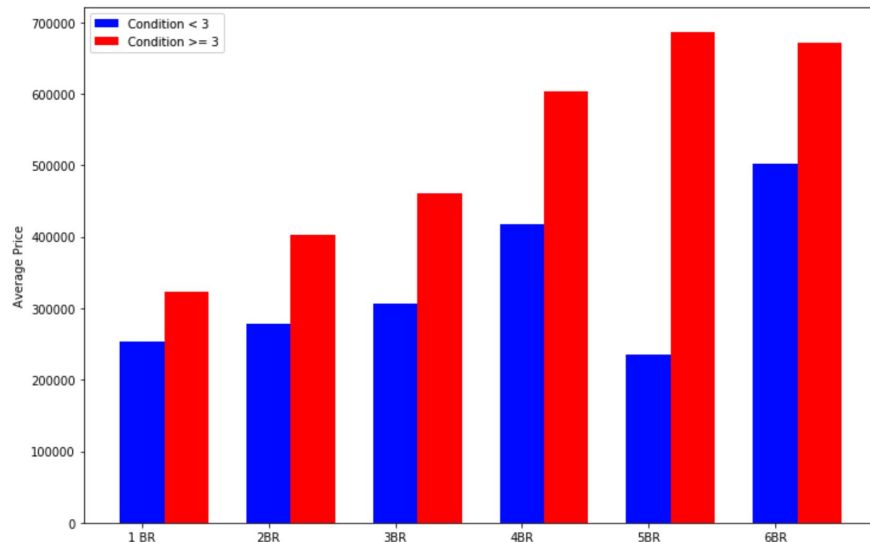


Condition

Nobody wants your junk

Key Takeaways:

- Noticeable divergence in house prices by condition rating
- Significant divergence for bigger houses

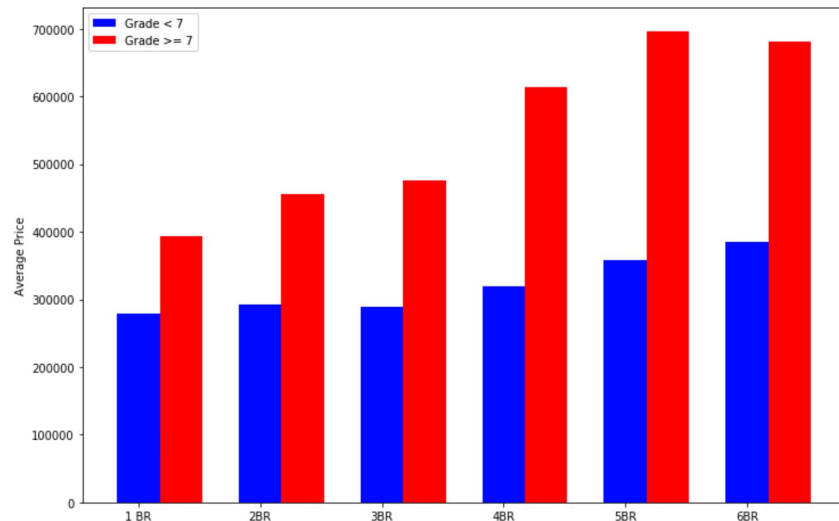


Grade

King County's Grading System

Key Takeaways:

- Average grade is 7, and more than 75% of houses have a grade > 7
- More influential than condition
- Houses, regardless of size, have around the same price when condition < 7



Square Feet

Key Takeaways:

- As expected, square feet positively correlated to price
- Bigger houses tend to sell for higher prices, but this is not guaranteed
- Location limits price ceiling, regardless of square feet



Next Steps

1. **Accept Your Location - You Can't Move Your House**
2. **If Grade or Condition Is Below Average, Address This Immediately**
3. **Consider Renovating - Where Can Your House Improve?**