**Group : Insta**

**Why are you investigating this question?**

Many residents in Seoul normally think that property prices of Gangnam area are more expensive than those of Gangbuk area, and this is actually true. We started to wonder why this happened. So we tried to search some factors which affect the property prices in Seoul.

**How are you going to try and answer your question?**

First, we divide Seoul into borough (we call it –gu) and compare each borough’s property price by five factors; Transportation, Education, Welfare facilities, Crime rate and Income. These five factors are usually considered as reasons for high property prices. We use statistical method (t-test) to find out five factors’ significant relation to the property prices. Transportation means the number of transfer stations. Education indicates the number of schools that have high educational achievement. Welfare facilities include parks, nursery facilities run by local government and facilities for the handicapped. In the case of Crime rate and Income, we use the data in 2014. We research each borough’s property price by these factors. As a result, we can find which factors have the most significant effect on the property prices.

**What are the limitations of your question?**

There are two main limitation; in the case of interaction and factors. Since we use many factors, we can observe interaction between property prices and these factors. However, interaction may confuse the result of analysis. Because the results can be changed, depending on whether we consider the influence of factors respectively or not. So if we can, we will do regression analysis to consider interactions of factors.

Limitation of factors also exists. The factors may not reflect all reasons of high property price. There can be other factors which affect property prices. Then, it will be hard for us to find the significant relations between property prices and five factors. Also the factors we choose may depend on variable of property prices.

**Who else had answered this question? How will you build upon other work done with this question?**

Yoo Haryong, Lim Jaeman, Youn Hoomug and Jung Sungyong also answered this question before. Josun newspaper's reporter, Yoo Haryong, pointed out three factors that affect property prices in Seoul; crime rate, divorce rate and study achievement. Lim Jaeman also claimed in 'The Impacts of Crime Rates and Education Factors on Housing Prices' thesis that crime rate and education fever of area are the important factors that affect the property prices. Youn Hoomug and Jung Sungyong focused on the effects of local environment as well as the individual factors to investigate what affects Seoul's house prices in 'The Effects of Regional Characteristics of Housing Environment in Seoul upon Housing Prices'. Since our research considers education, crime rate and income as well, we can use these answers as guidelines.

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