



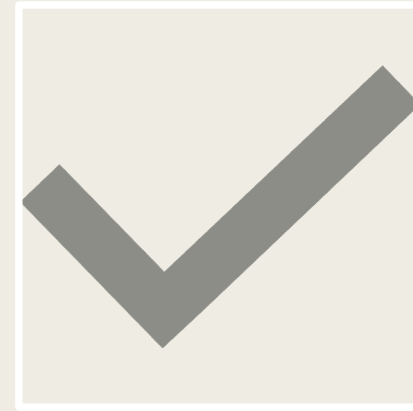
ANALYZING HOME PRICES

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Business objective



Analyze factors affecting home
prices



Recommendations based on
analysis

Project goal

The price of the houses

- With fireplace vs without
- With more than 2 garage cars vs with 1 or 0 garage car



Hypotheses

- Null Hypothesis 1 (H_0):

The price of the houses with fireplace is not more than the ones without.

- Alternate Hypothesis 1 (H_a):

The price of the houses with fireplace is more than the ones without.

- Null Hypothesis 2 (H_0):

The price of the houses with more than 2 garage cars is not more than the ones with 1 or 0 garage car.

- Alternate Hypothesis 2 (H_a):

The price of the houses with more than 2 garage cars is more than the ones with 1 or 0 garage car.

Data Analyzed



Total 1460 houses.



690 houses without fireplace while 770 with fireplace.



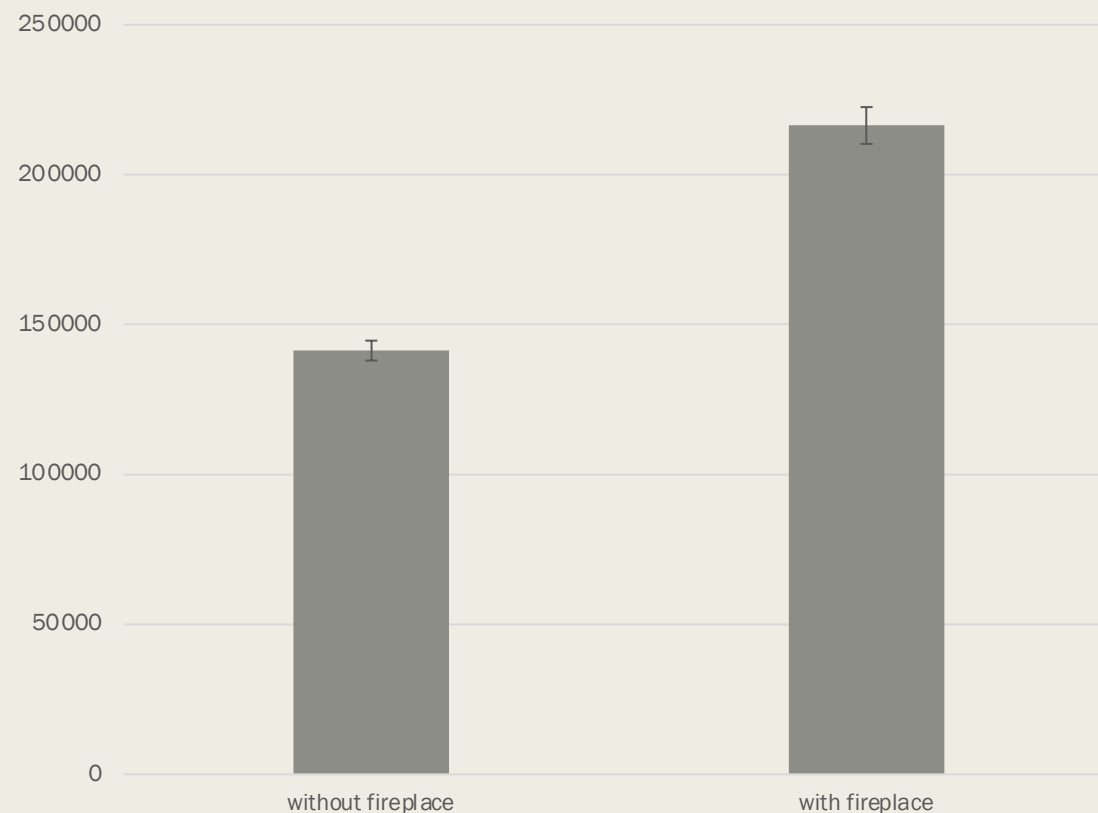
450 houses with 1 or 0 garage car while 1010 with more than 2 garage cars.



Conducted statistical analyses(t-test) to see if there is any statistically significant difference between them.

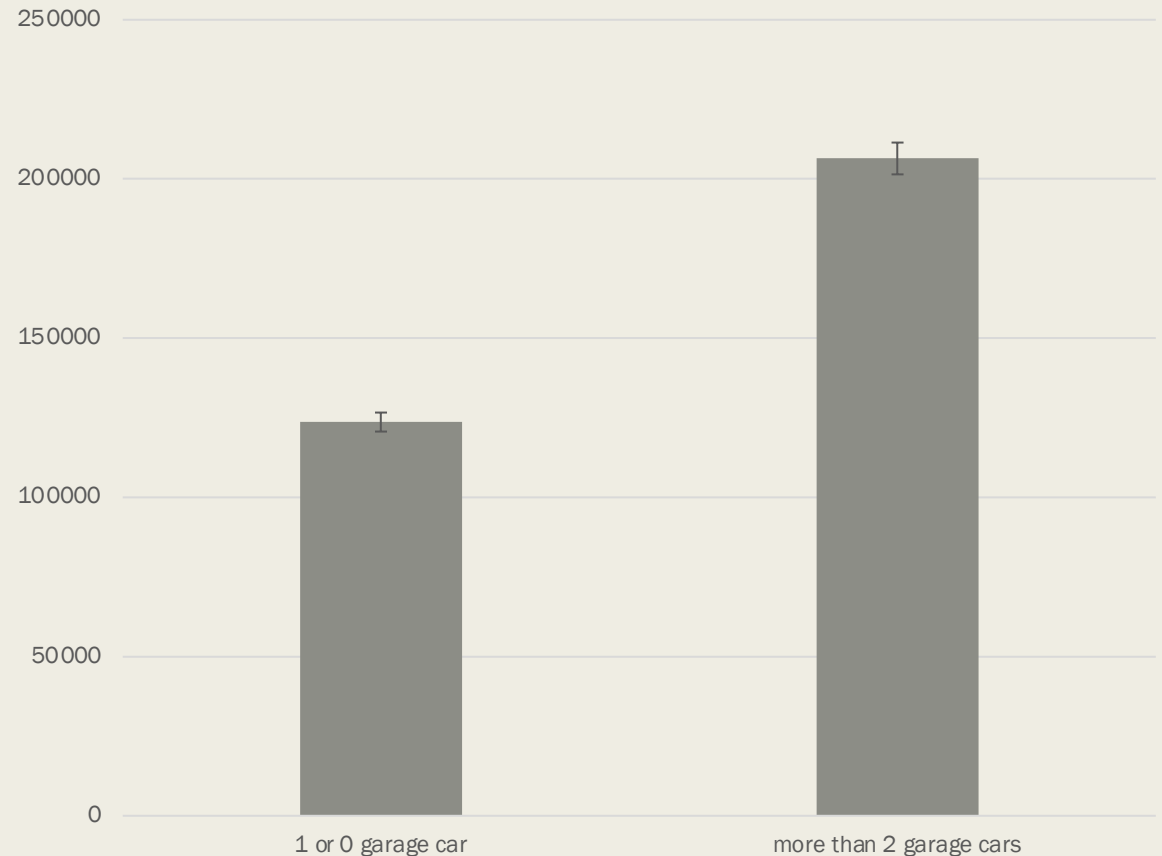
Analysis of Hypothesis 1

- There is a statistically significant difference between the prices of the houses with and without fireplace
- Average house price with fireplace \$216 400, whereas without fireplace \$141 000
- Average difference \$75 400



Analysis of Hypothesis 2

- There is a statistically difference between the prices of the houses with 1 or 0 garage car versus more than 2 garage cars
- Average house price with more than 2 garage cars \$206 500 whereas less than 2 garage cars \$123 700
- Average difference \$82 800



Final message and recommendations



The statistical analyses showed that

The price of the houses with fireplace is more than the ones without.

The price of the houses with more than 2 garage cars is more than the houses with 1 or 0 garage car.



Recommendation:

Consider the options of extending garage cars and adding fireplaces.



THANK YOU