



Predicting Housing Sale Prices for King County

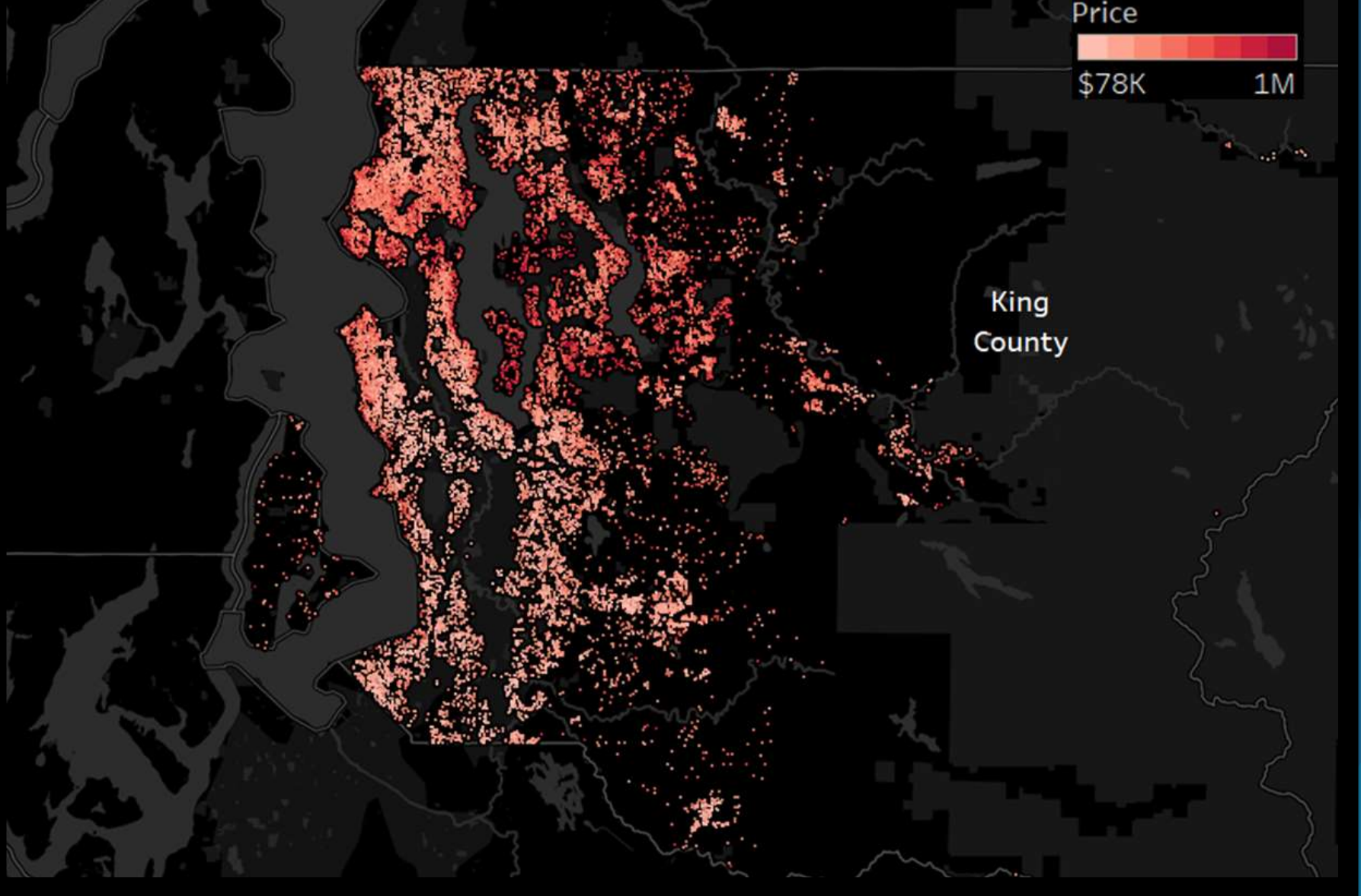
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03/16/19

FRAMEWORK & DATA

- ▶ Analyzed price of houses sold in King County from May, 2014 - May, 2015
 - ▶ 18 - characteristics of the property:
 - ▶ Size of home, land
 - ▶ Size of neighboring properties
 - ▶ Housing condition, grade
 - ▶ Waterfront, view
 - ▶ Zip code, location

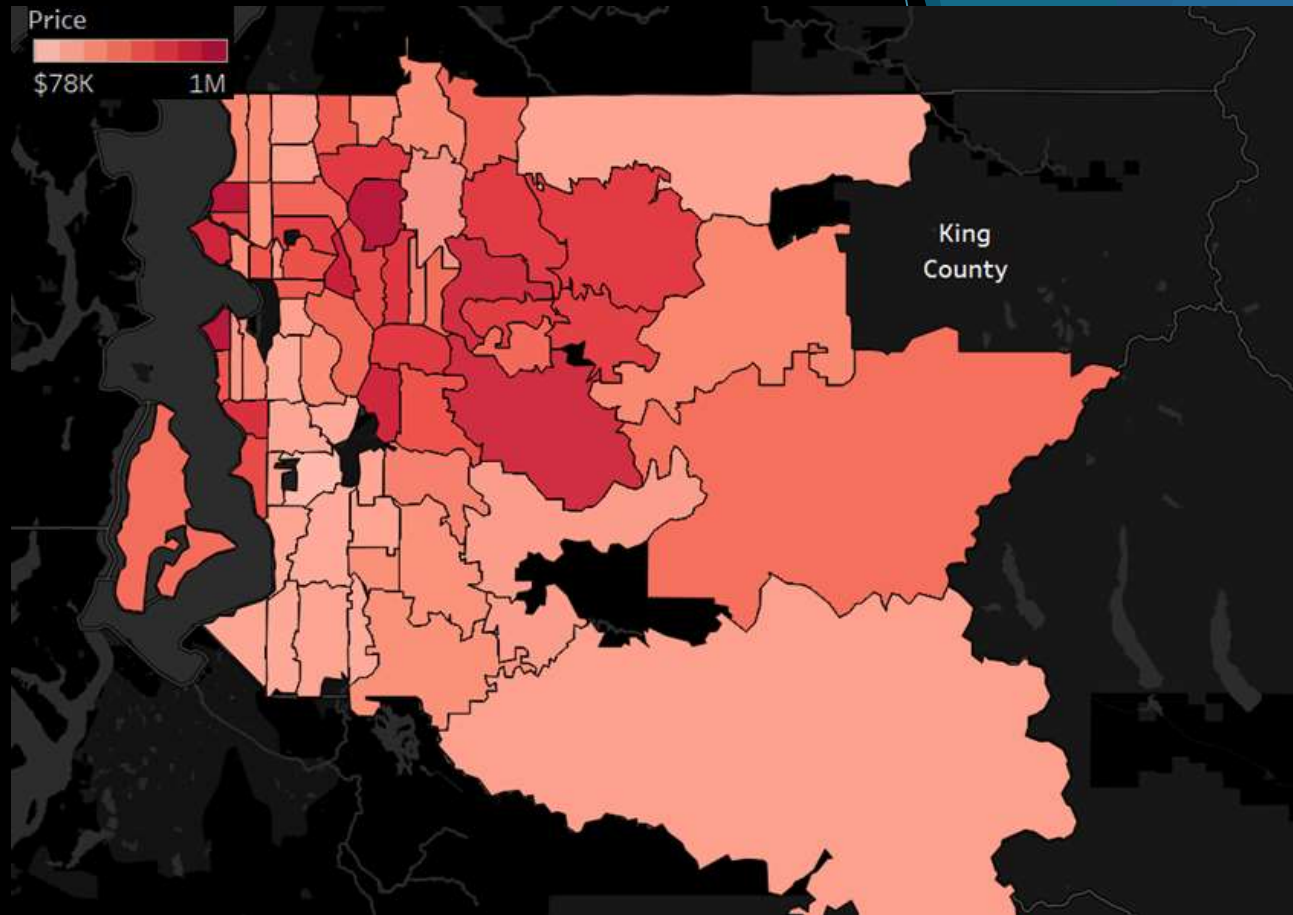
Multiple linear regression with Ordinary Least Squares (OLS) to predict house price



FINDINGS

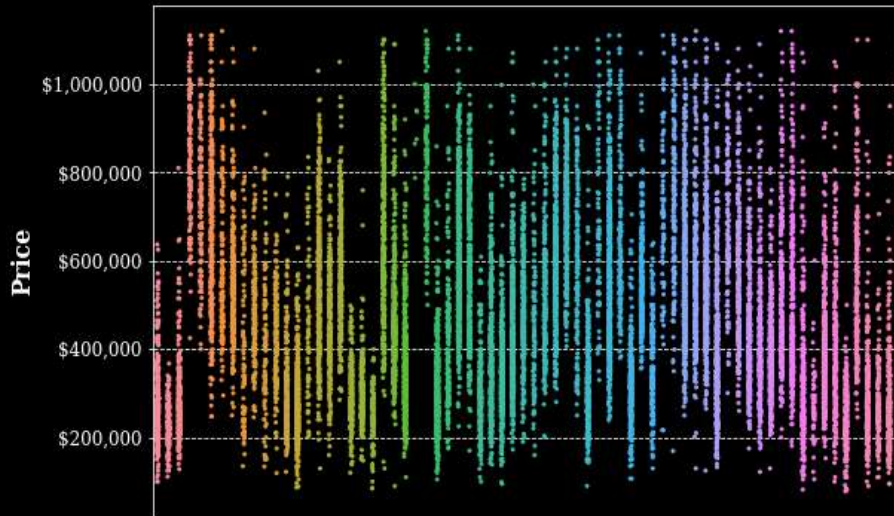
► Applied Recursive Feature Elimination (RFE) to determine the best predictors of sales price:

- Zip code
- Housing grade
- Size of Living Areas (ft²)
- Size of neighboring homes (ft²)

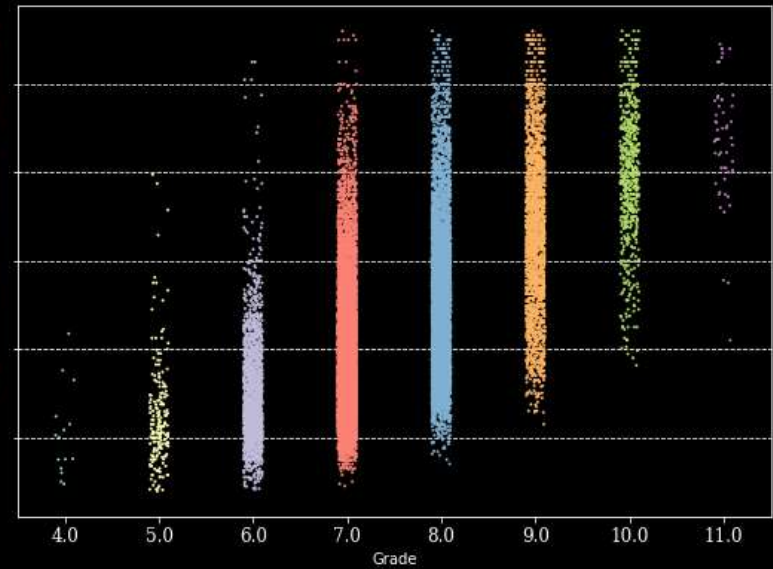


FINDINGS

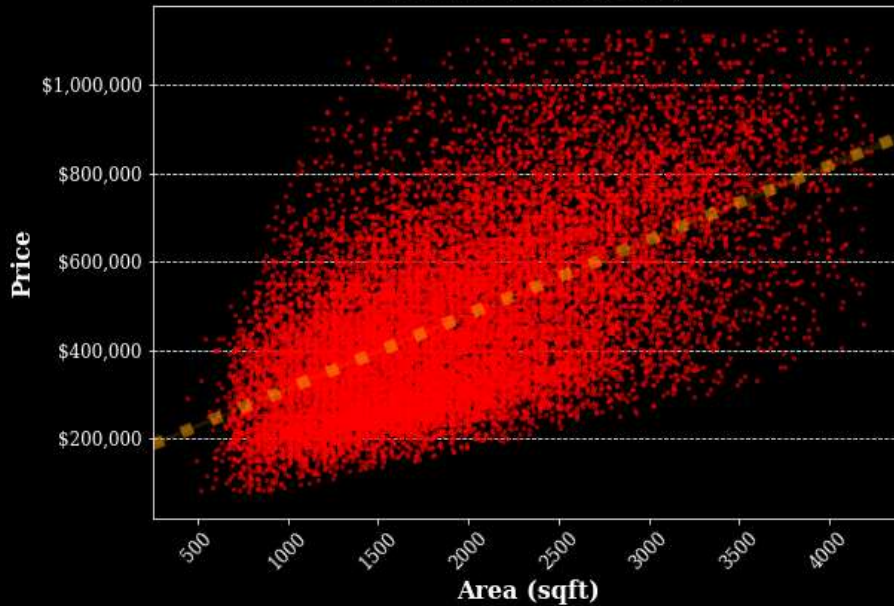
Zipcode



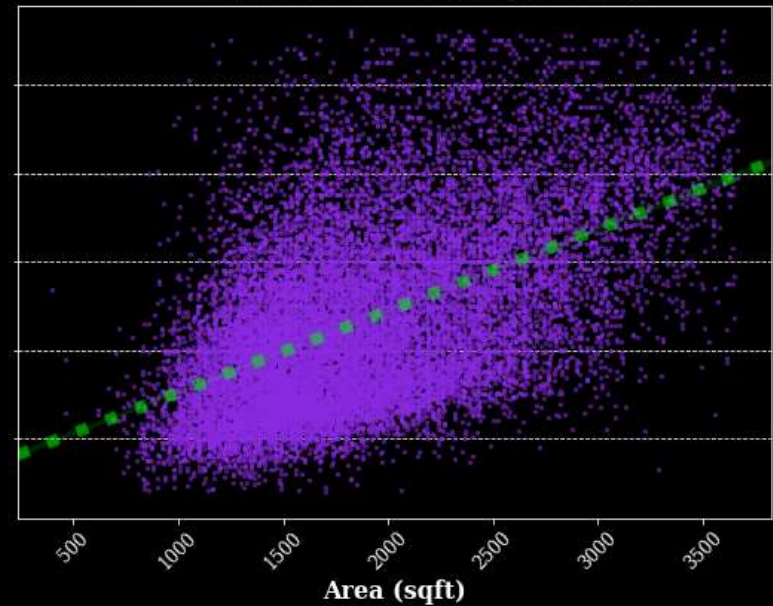
Housing Grade



Living Space (sqft)



Neighbor's Living Space (sqft)



Strategy to Increase Sales Price

- ▶ Two major determinants of sales price are beyond owner's control
 - ▶ Size of neighbor's living area.
 - ▶ Zip code
- ▶ Investing in modifying your home will increase price
 - ▶ Increase square footage your living space.
 - ▶ Use high-quality construction material to increase the housing grade.