

Predicting
Housing
Sale Prices
for King
County

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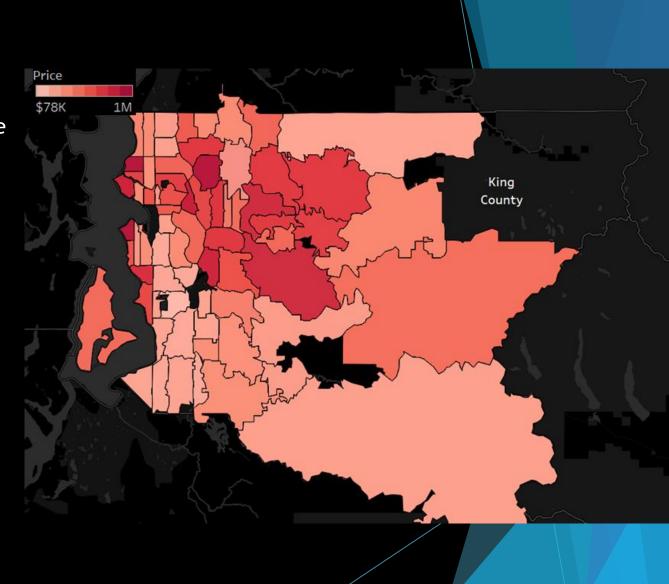
#### FRAMEWORK & DATA

- ► 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

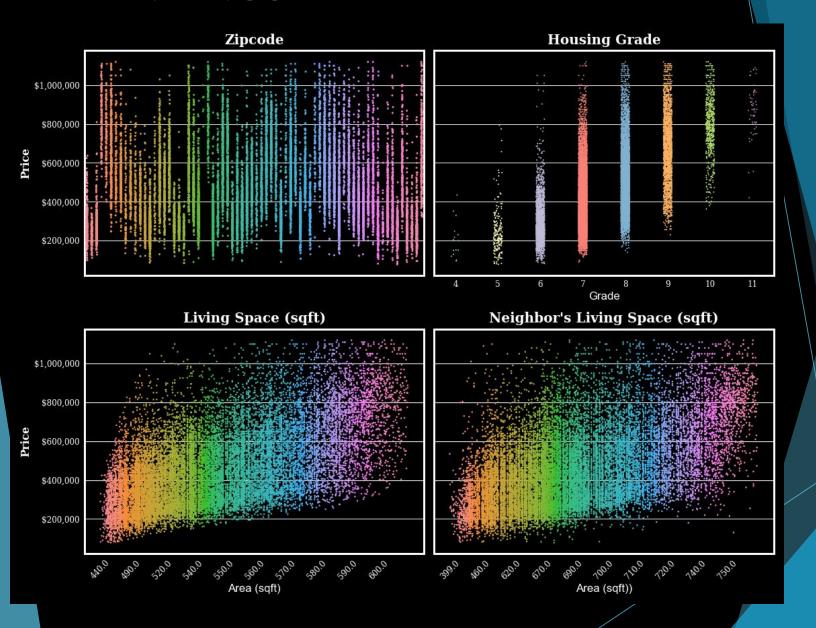
# Multiple linear regression with Ordinary Least Squares (OLS) to predict house price Price \$78K 1M King County

#### **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**



## 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.