Predictive Analytics using Simple Linear Regression to predict the price of a house if the square footage is 1800

Independent Variable (X) = Squarefeet
Dependent Variable (Y) = Price

Here,
Line of Regresssion is --> Y = mx + c
i.e., Price = m (Squarefeet) + c
where , m = Slope & c = Intercept

After using regression , we got ---

Slope = 0.117
& Intercept = - 66.544

Now,
Putting all the values in Regression equation we get

Predicted Price = 0.11(1800) - 66.54
= 145.3027

Therefore,

Predicted Price for 1800 square footage is Rs. 145.3027

Insight **Since R Square is 0.49, it means that the model is 49% good. Good in the sense that we have less number of data, if we have a large number of data our model will be more good. This is about the accuracy of the model i.e., the prediction accuracy is 49% good.**

SUMMARY OUTPUT

Regression Statistics		
Multiple R	0.701467	
R Square	0.492056	49% good
Adjusted R	0.482649	
Standard E	75.68874	
Observatio	56	

ANOVA

	df	*SS*	*MS*	*F*	*ignificance F*
Regression	1	299677.8	299677.8	52.31088	1.73E-09
Residual	54	309354.4	5728.786		
Total	55	609032.3			

	Coefficients	*andard Erro*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*ower 95.0%*	*Jpper 95.0%*
Intercept	-66.5448	25.40498	-2.61936	0.011412	-117.479	-15.6109	-117.479	-15.6109
X Variable	0.117693	0.016273	7.232626	1.73E-09	0.085069	0.150317	0.085069	0.150317