

PREDICTING HOUSE PRICES USING KING COUNTY HOUSE SALES DATA.

ELSIE KIPROP.



A stylized illustration of a house with a black roof, white walls, and blue outlines. The house has a central window and a smaller window above it. The background is a light blue sky with white clouds and a green lawn with white outlines of bushes and a small white fence post on the left. The house is partially obscured by a large black and teal rectangle that contains text.

BUSINESS PROBLEM

- To find out factors influencing house prices in order to give advisory services to home sellers and home buyers.

A stylized illustration of a house with a black roof, white walls, and blue windows. The house is set against a light blue background with white wavy lines representing grass or clouds. A black rectangular box is positioned in the lower-left foreground, and a teal rectangular box is positioned in the lower-right foreground.

DATA UNDERSTANDING

- The data used is from house sales in King County. It includes house prices, number of bedroom, bathrooms and floors, condition and grade of the houses, the footage of the houses among others.

A stylized illustration of a house with a black roof, white walls, and a blue chimney. The house is set against a light blue background with white wavy lines representing clouds or grass. A black rectangular box is positioned on the left side of the house, and a teal rectangular box is positioned on the right side of the house.

PROCESS

1. Data Cleaning and Scrubbing.
2. Exploratory Data Analysis.
3. Creating Linear Models.
4. Model Validation.
5. Interpretation of final model.
6. Recommendations and Conclusion.

A stylized illustration of a house with a black roof, white walls, and blue outlines. The house has a chimney on the left and a small window on the right. The background is a light blue sky with white clouds and a green lawn with white flowers. A black rectangular box is positioned on the left side of the house, and a teal rectangular box is positioned on the right side of the house.

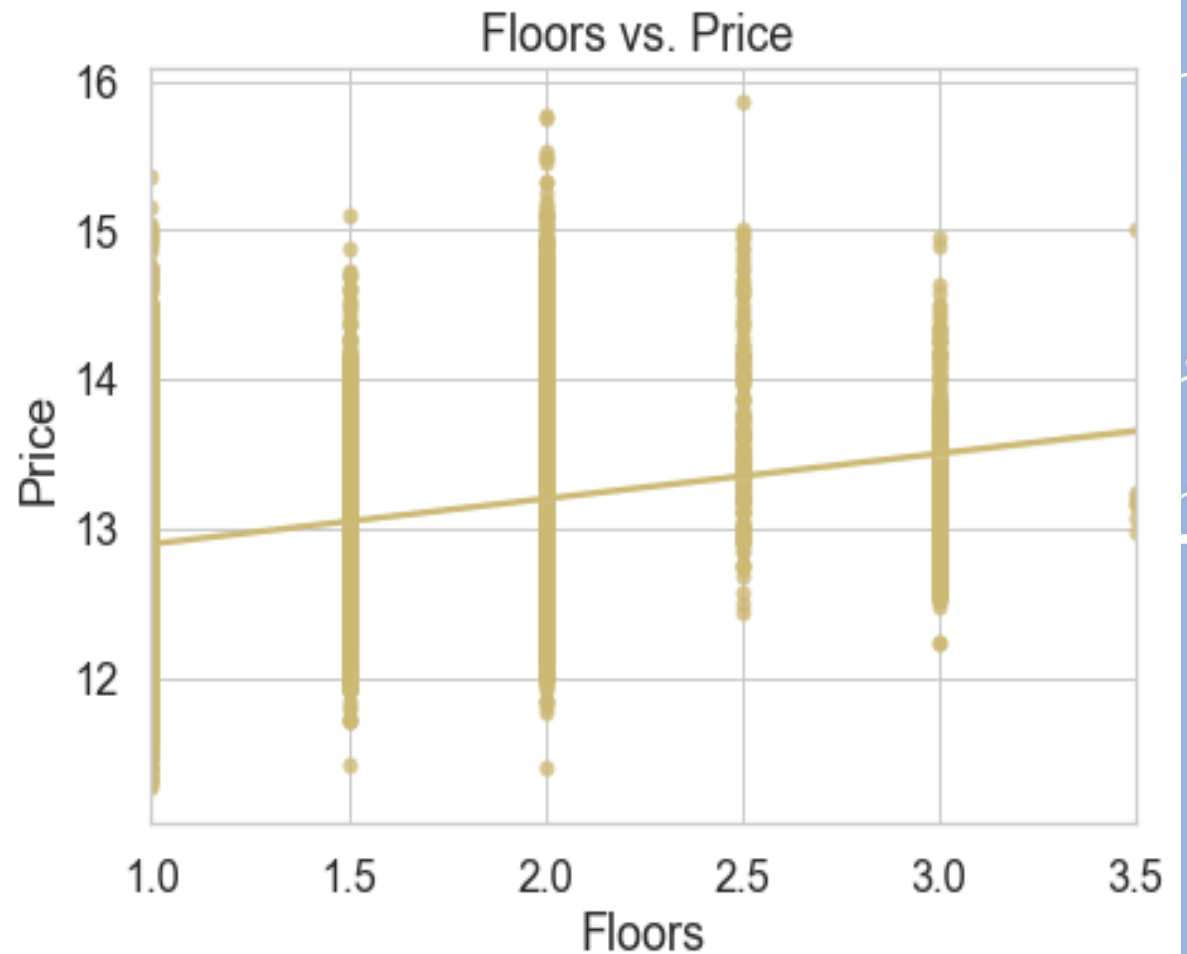
FINAL MODEL.

- `price ~ sqft_living + bedrooms + floors + cond_5 + cond_2 + cond_1`

R Squared	48.2%
P- value	0.00

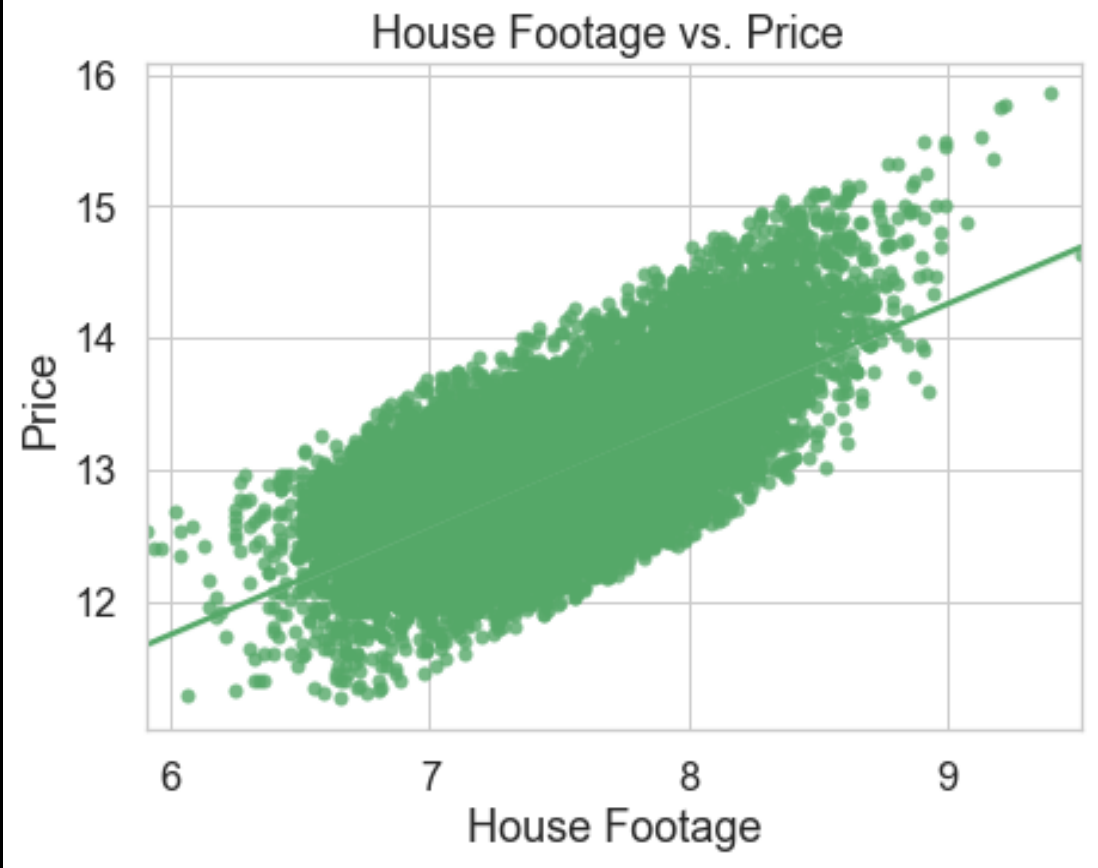
FLOORS VS PRICE.

Increase by 1 floor = increase in price by 7%



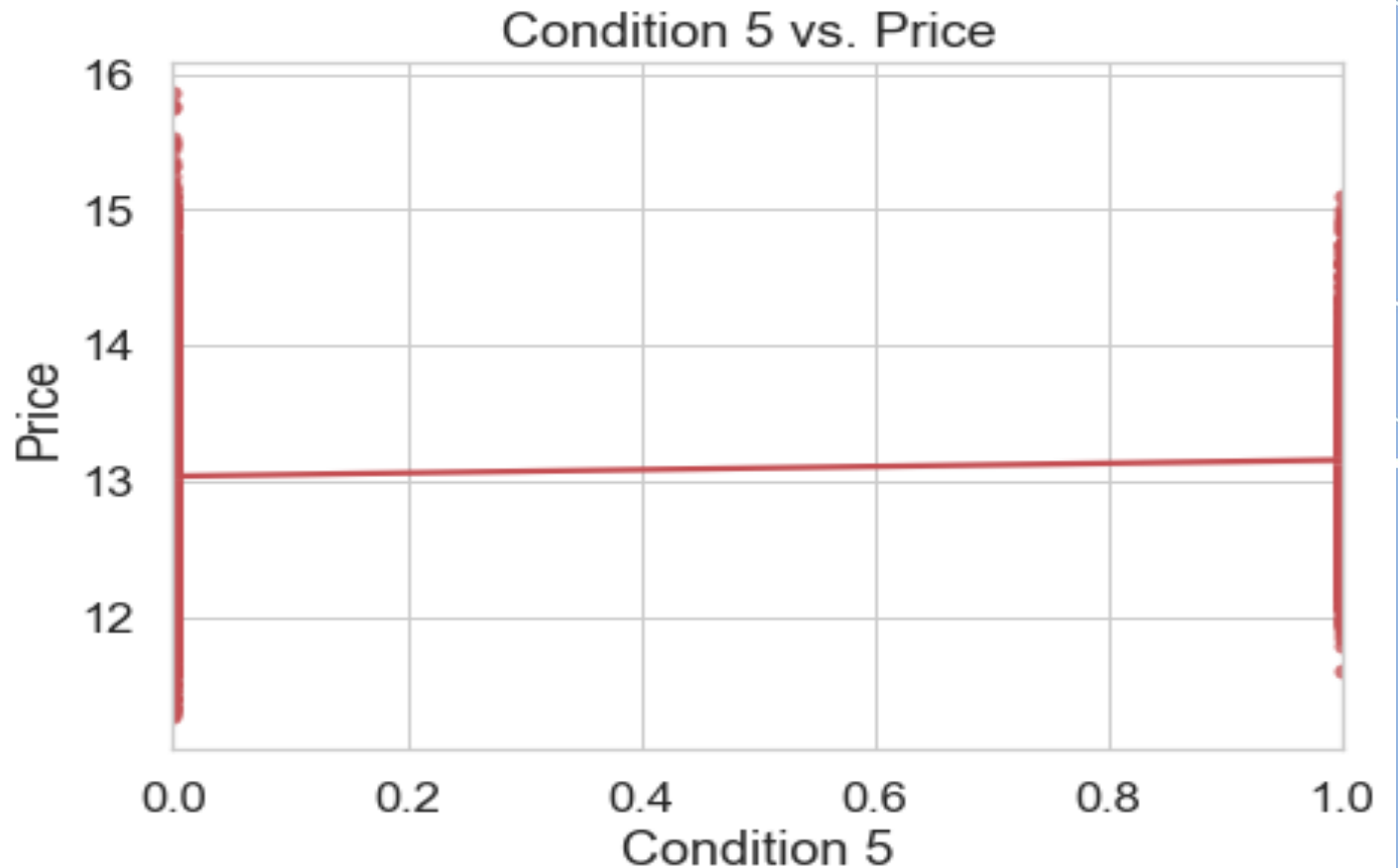
HOUSE FOOTAGE VS PRICE

Increase in footage = increase in price by 0.93



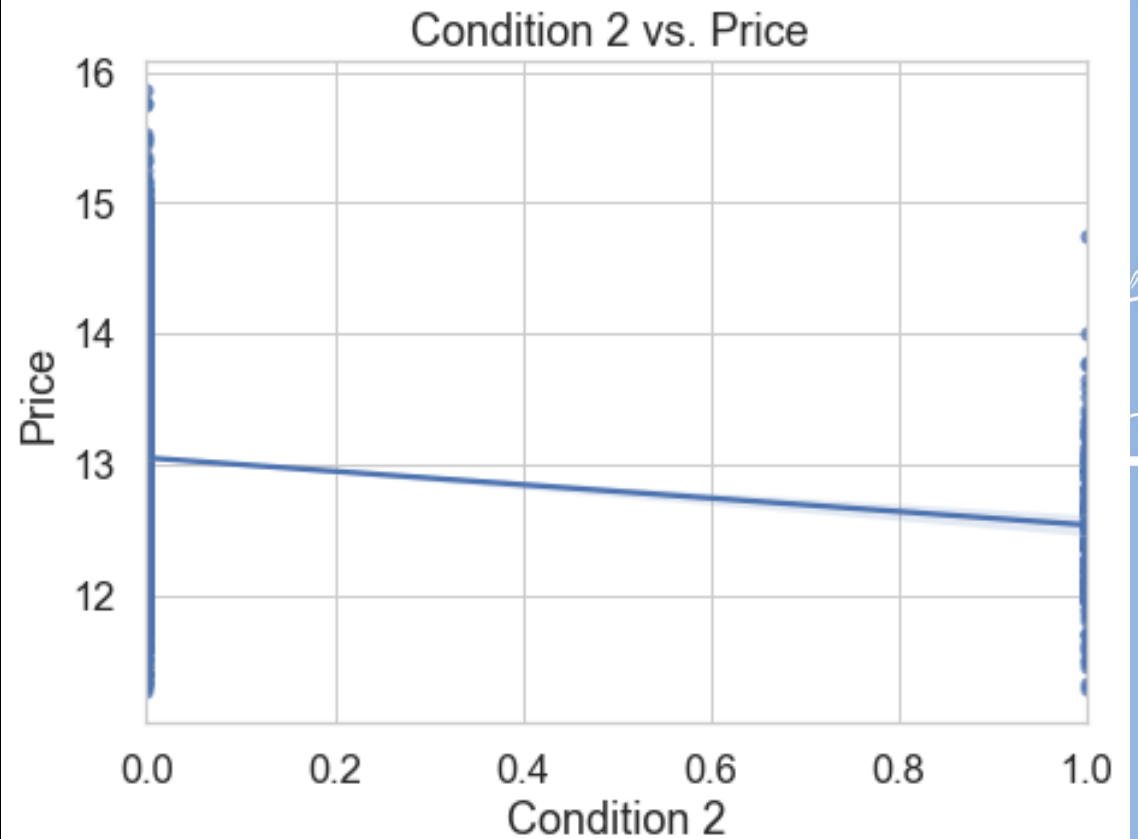
CONDITION 5 VS PRICE

House being in best condition increases price by 16.6%



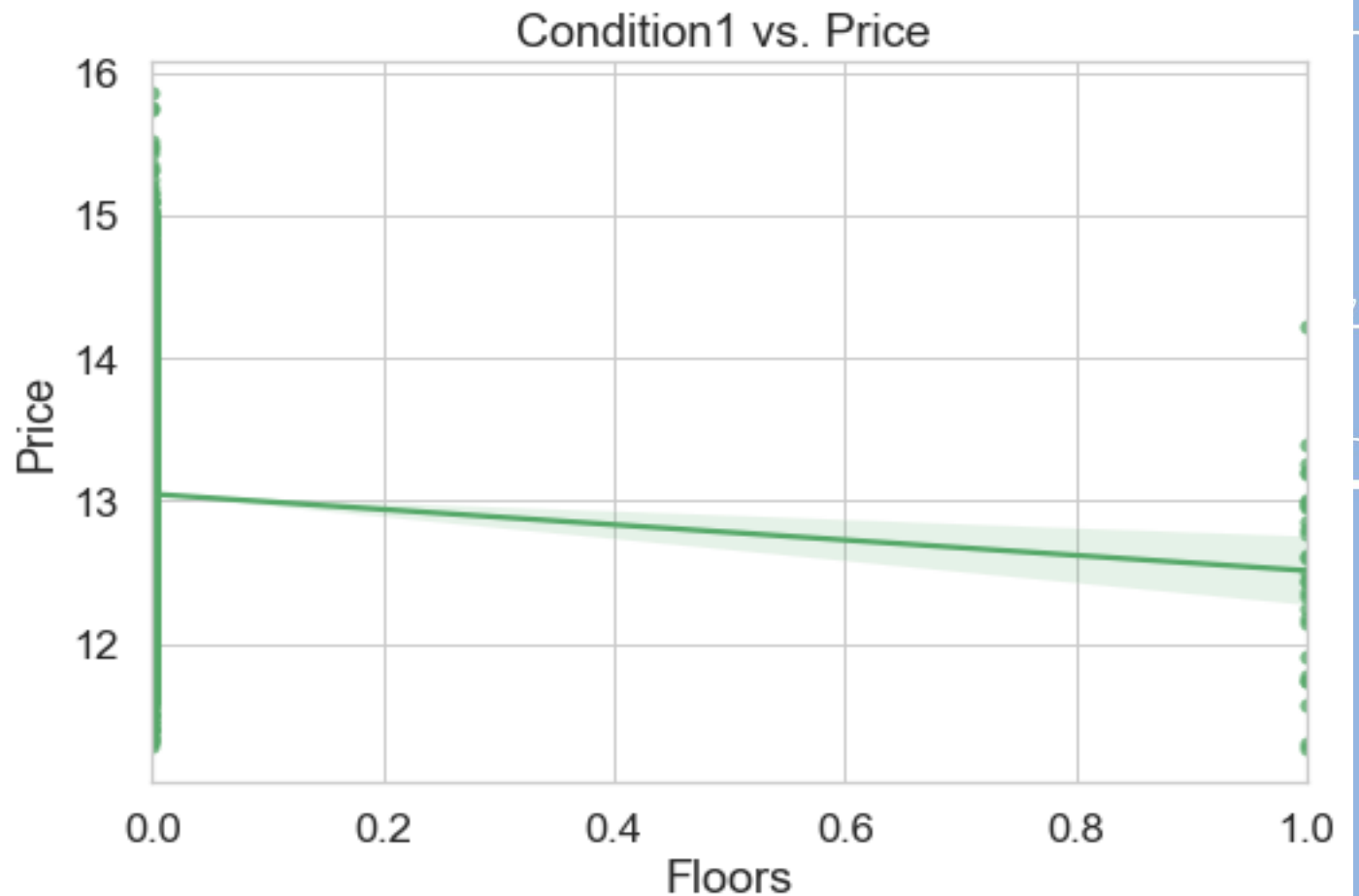
CONDITION 2 VS PRICE

House being in the condition 2 decreases price by 17%



CONDITION₁ VS PRICES

House being in the worst condition, decreases price by 12 %





RECOMMENDATIONS

- House sellers to increase the number of floors and the footage of the houses.
- House buyers to properly plan financially in order to get the houses with the best features.