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Finn & Thomas

Property Consultant
Location : Kings County

Your Questions Answered

* ❖ What are the top 6 house features that are the most important in determining house prices?

* ❖ How much in average is the price difference between waterfront and non-waterfront houses?

* ❖ How have average prices faired the over the last 12 months?

Top 6 House Features

How did we pick the top 6 features?

- Based on available data, we used a correlation matrix and picked the features with the strongest relationship with price

- As a result, we obtained the following features:
  - Sqft living
  - Grade
  - Sqft above
  - Sqft living 15
  - Bathrooms
  - View

- This is evident purely just by looking at scatter plots of each individual house features against price as depicted below



Distribution of Top 6 Features
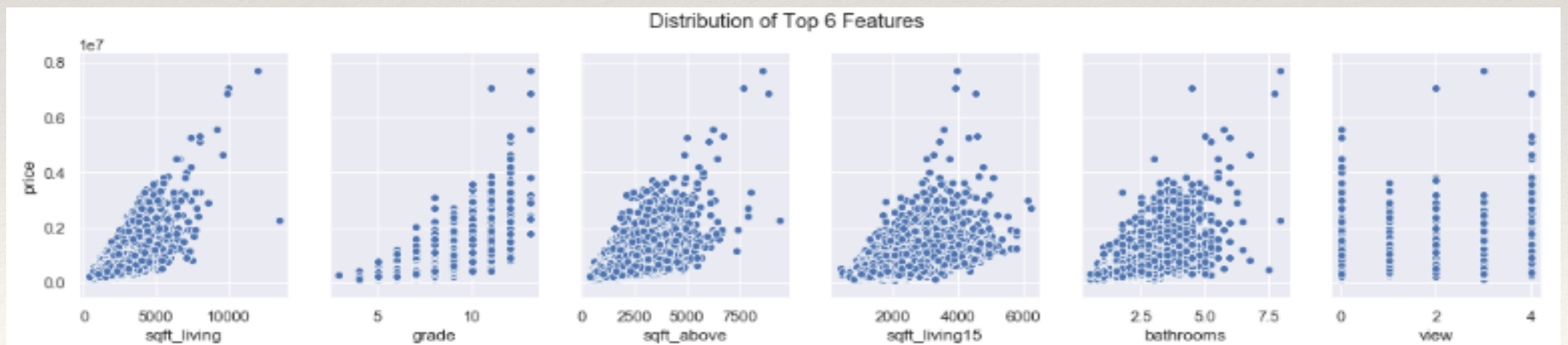
How about other features?
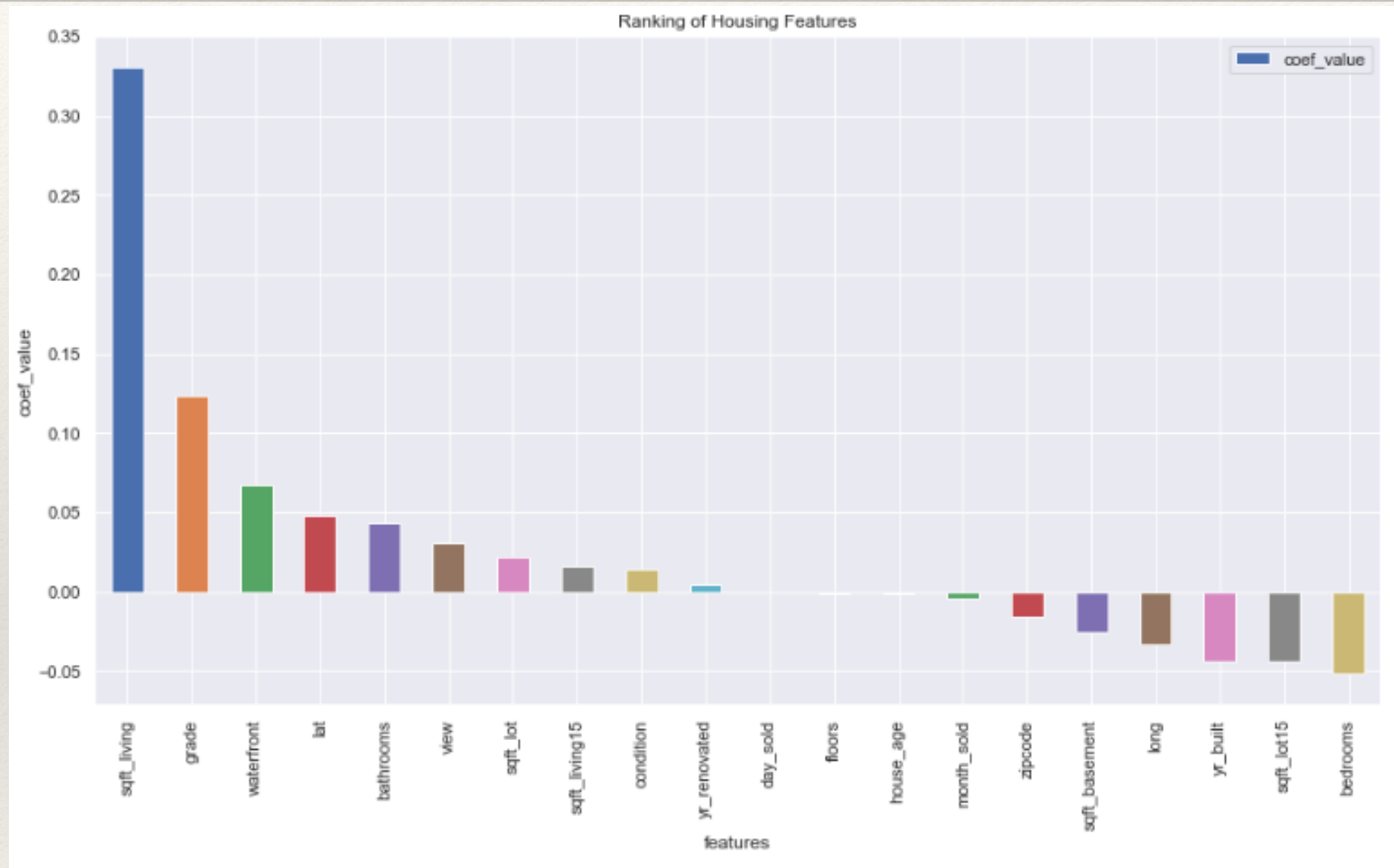
Whilst the above features were accounted for individually, we can also look at all features on an holistic basis through a model called multiple linear regression, resulting in the graph above.

Using this model we get two additional features that are also significant to the value of the house; waterfront and latitude.

How much in average is the price difference between waterfront and non-waterfront houses?

Scatter Plot of Longitude and Latitude with Color Mapping according to Price
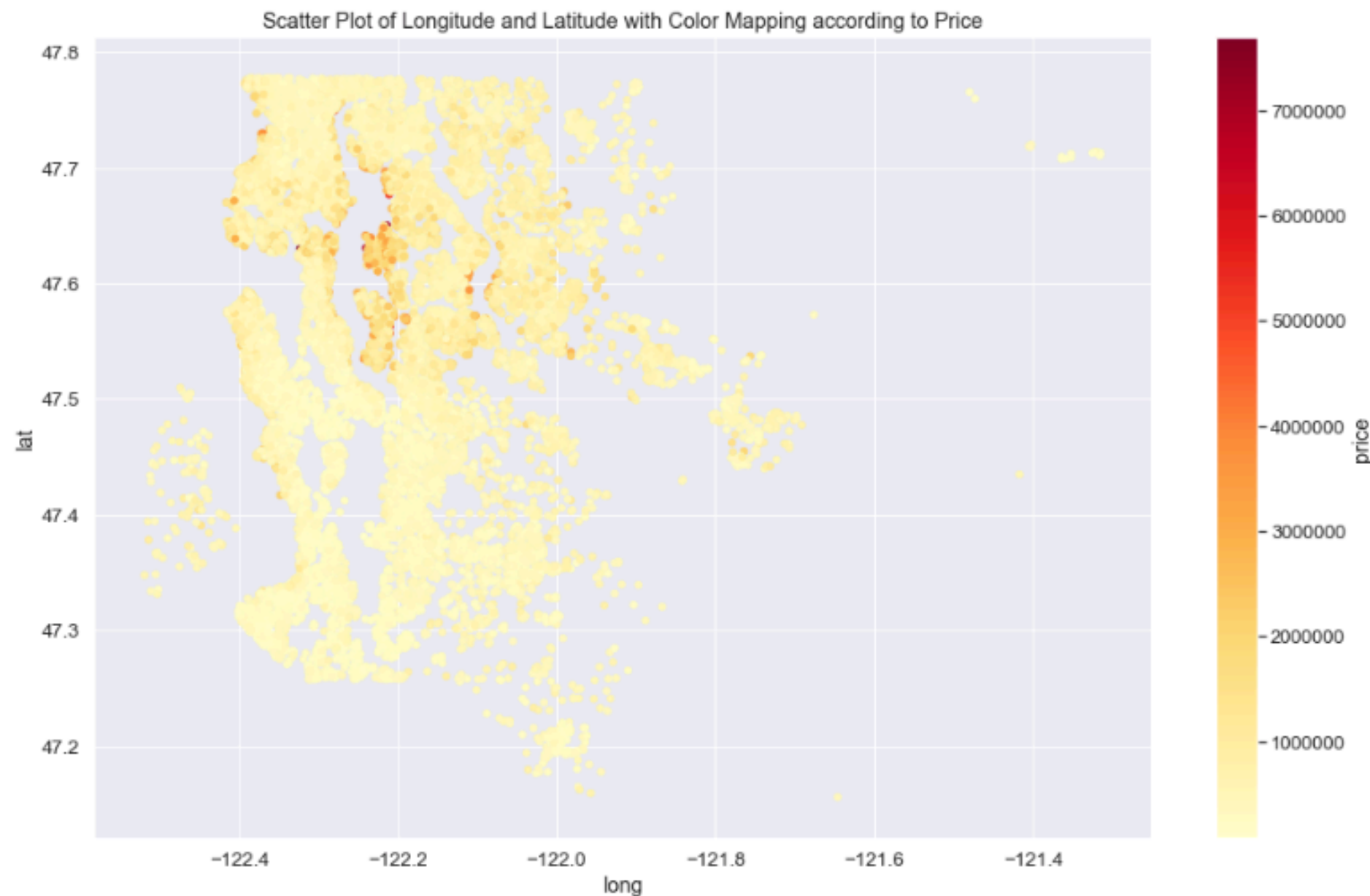
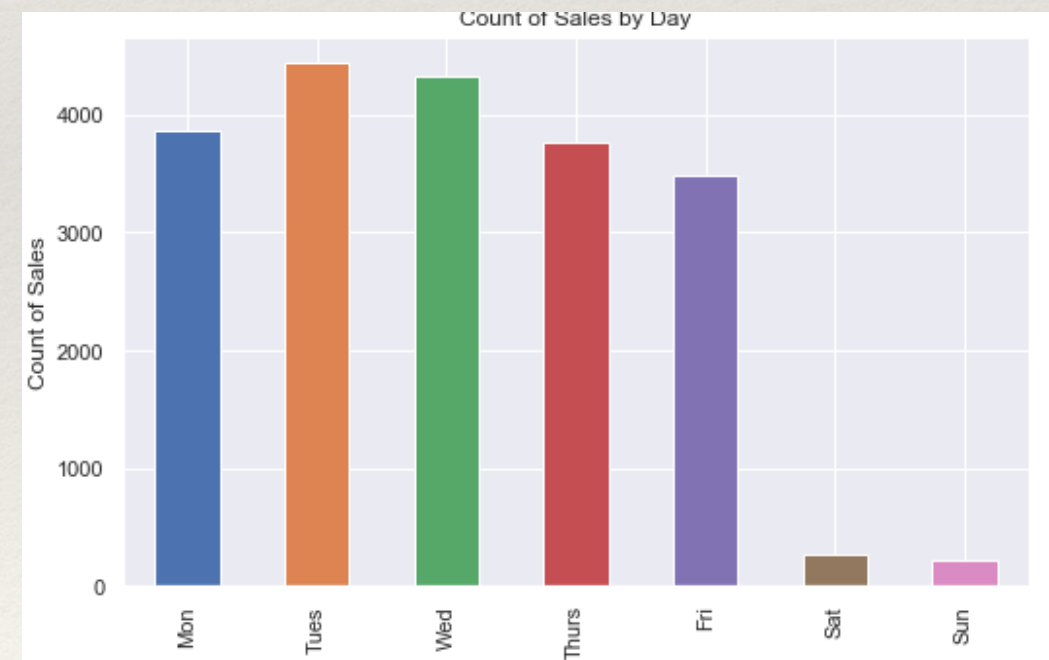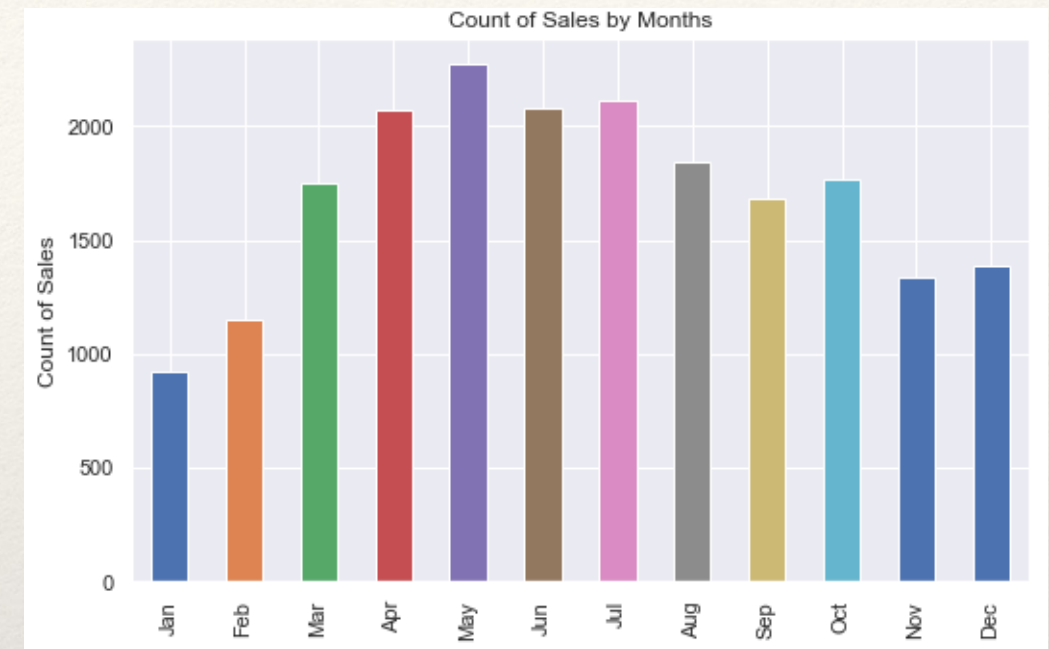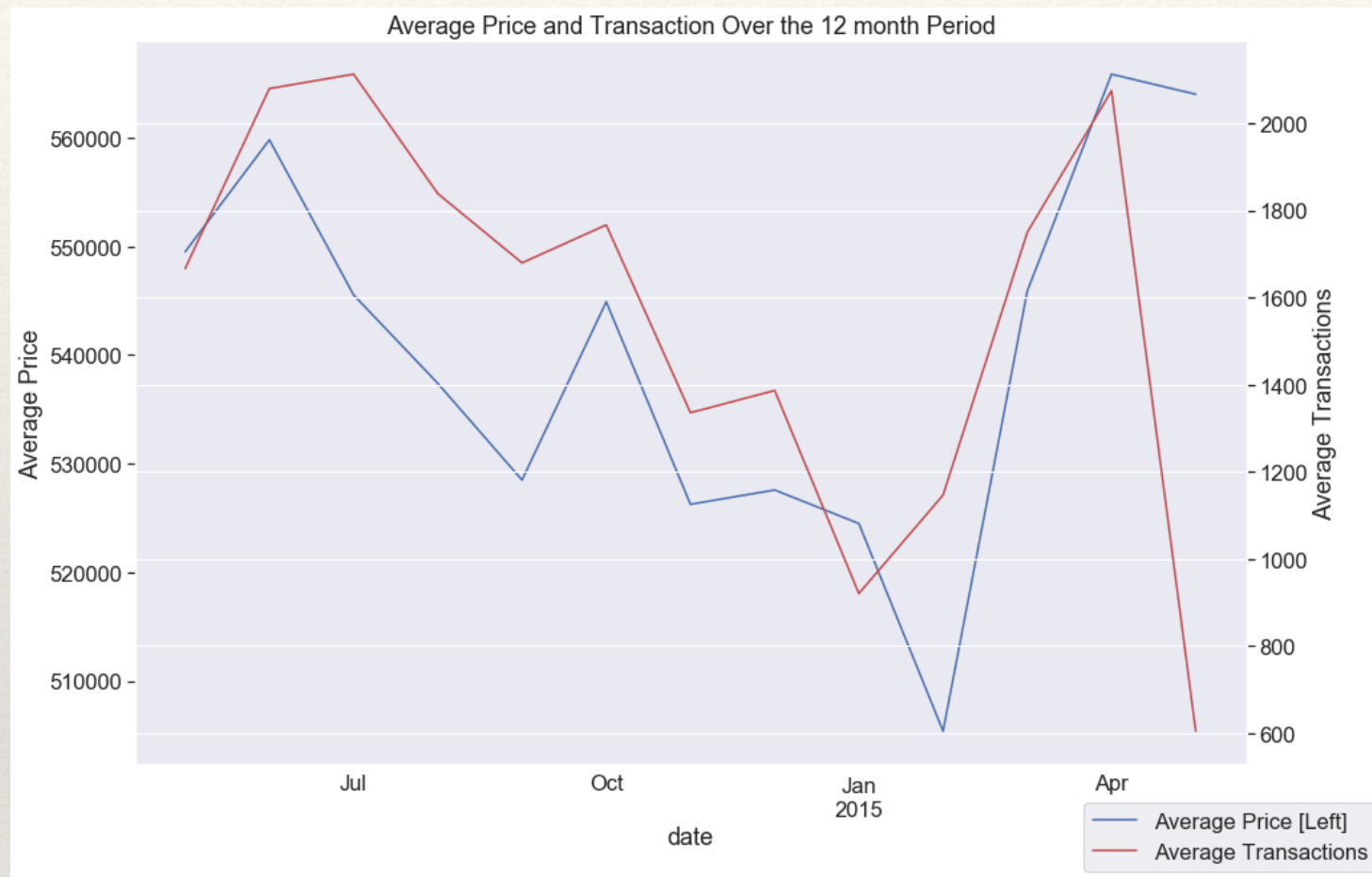Looking at the first chart, we can conclude that houses near a water features tend to attract higher prices.

On average, waterfront houses attract an average of $1m and more.

However, these values tend to differ for each of the top 6 features identified earlier which we will explore in the next slide.

Breakdown of waterfront houses by top 6 features

Average Prices of Waterfront Houses by Top 6 Features
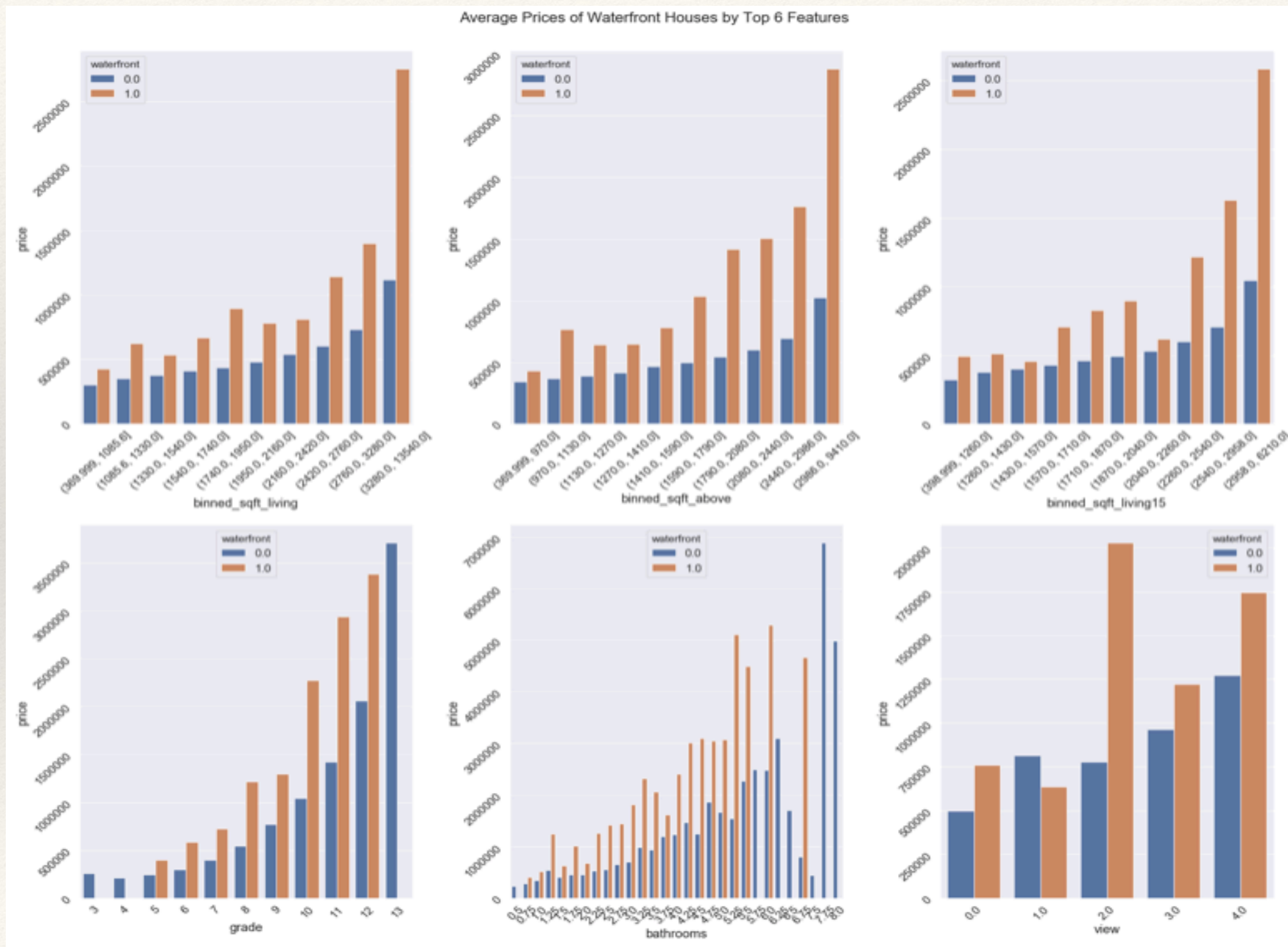
How have average prices faired the over the last 12 months?

Questions?