



Zillow

Data Analytics Team

Predictive Modeling

Presentation: **Aimes, Iowa**



Why Are We Here?

To Predict Home Sale Prices!

Stronger Predictions = Stronger User

Confidence = Increased User Traffic = **Increased
Ad Revenue!**



What are we working with?

Kaggle Datasets!

- Training Set (+2000 listings)
- Test Set (~880 listings)
- 80 Different Features included!



Some Numbers:

- Average Home Sale Price: just over **\$180,000**
- Ranged from: **~\$13,000** to **~\$610,000**
- IQR: **~\$130,000** to **~\$215,000**

Sale Price Distribution, Visualized:



Sale Price Distribution, Visualized: ctd..





Model Building Process:

- Step 1: **Visualize the Data (EDA)**
- Step 2: **Clean & Format the Data**
- Step 3: **Calculate Our Baseline Metric (RMSE)**
- Step 4: **Build Our Model!**
- Step 5: **Change Features, Parameters, & try again!**



Quick Correlation Recognition:

1. Overall Quality (ranked 1-10)
2. Above Ground Living Area
3. Size of Garage (in Sq. Ft.)
4. Size of Garage (in Car Capacity)
5. Total Basement Area (in Sq. Ft.)



Results:

Baseline Prediction Score:

RMSE of ~\$84,000

Strongest Model Prediction Score:

RMSE of ~\$25,500



Moving Forward..

We can **improve** our model!

Obstacle: Kaggle Submission Limit/Time

With more **time**, we could:

1. Try **different combinations** of **Features**
2. Try **different parameter settings**
3. Work with our **null values differently**



Recommendations:

We **humbly** recommend..

More Time!

And **also request**..

Datasets from other cities, states, regions, etc.