

King County, WA Housing Sale Price Analysis

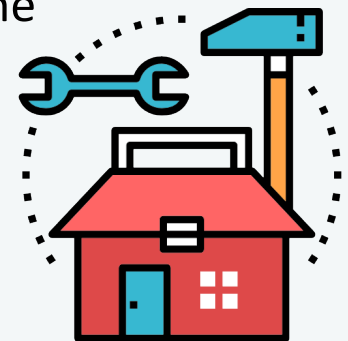
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CONTENTS

- 1 Overview
- 2 Data Understanding
- 3 Exploring the Data
- 4 Modeling
- 5 Regression Results
- 6 Recommendations
- 7 Limitations
- 8 Next Steps

OVERVIEW

- **Business Problem:** King County Realtors need to provide their clients with guidance on how to improve the value of their homes prior to listing.
- **Business Question:** Which home renovations might increase the estimated value of their homes, and by what amount?

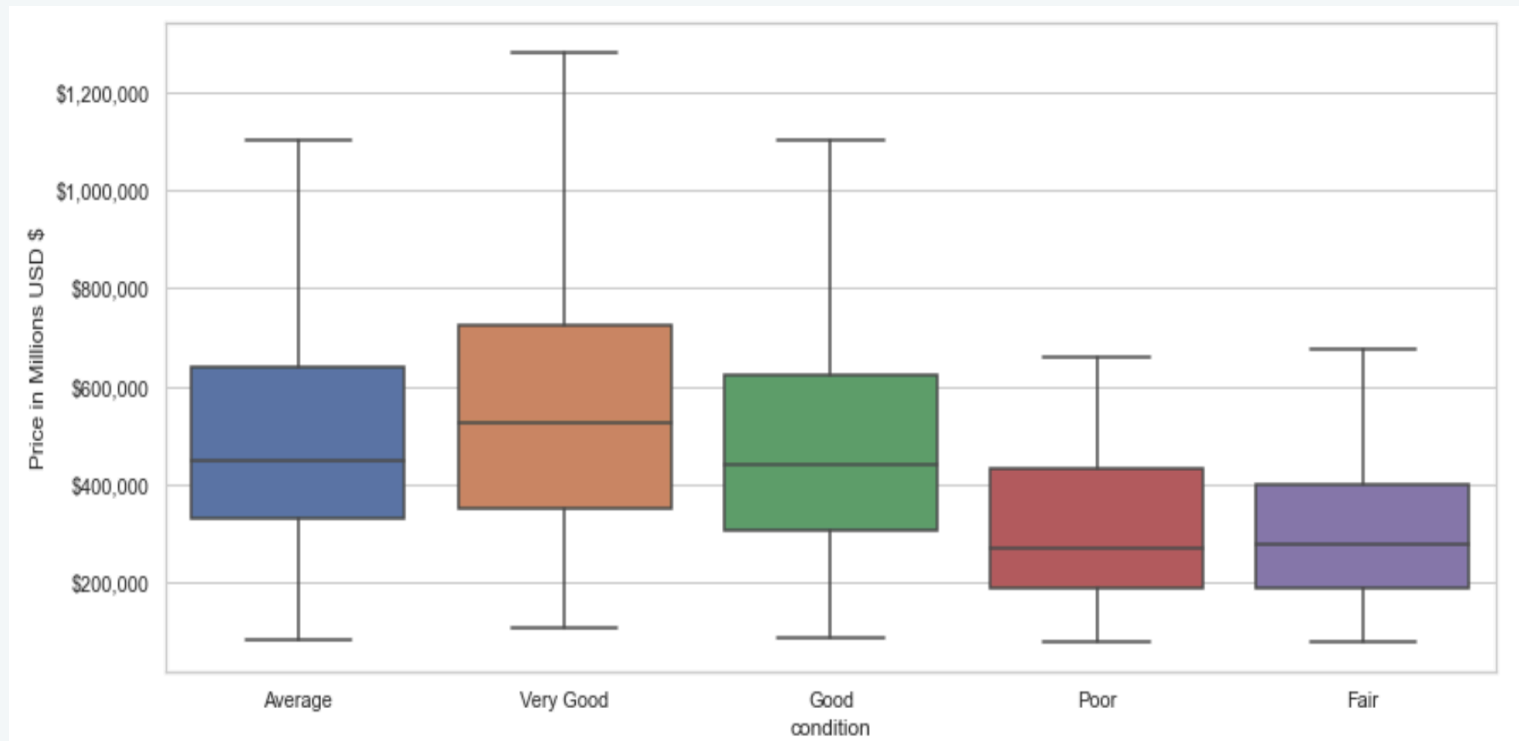


BUSINESS AND DATA UNDERSTANDING

- **Stakeholder:** King County Realtors
- **2014-2015 King County Housing Dataset**
 - **price** – sales price
 - **bedrooms** – number of bedrooms
 - **bathrooms** – number of bathrooms
 - **sqft_living** – square footage of living space in the house
 - **sqft_lot** – square footage of the lot
 - **floors** – number of floors (levels) in house
 - **waterfront** – whether the house is on a waterfront
 - **grade** – overall grade of the house. Related to the construction and design of the house
 - **yr_built** – year when the house was built
 - **condition** – how good the overall condition of the house is. Related to maintenance of the house

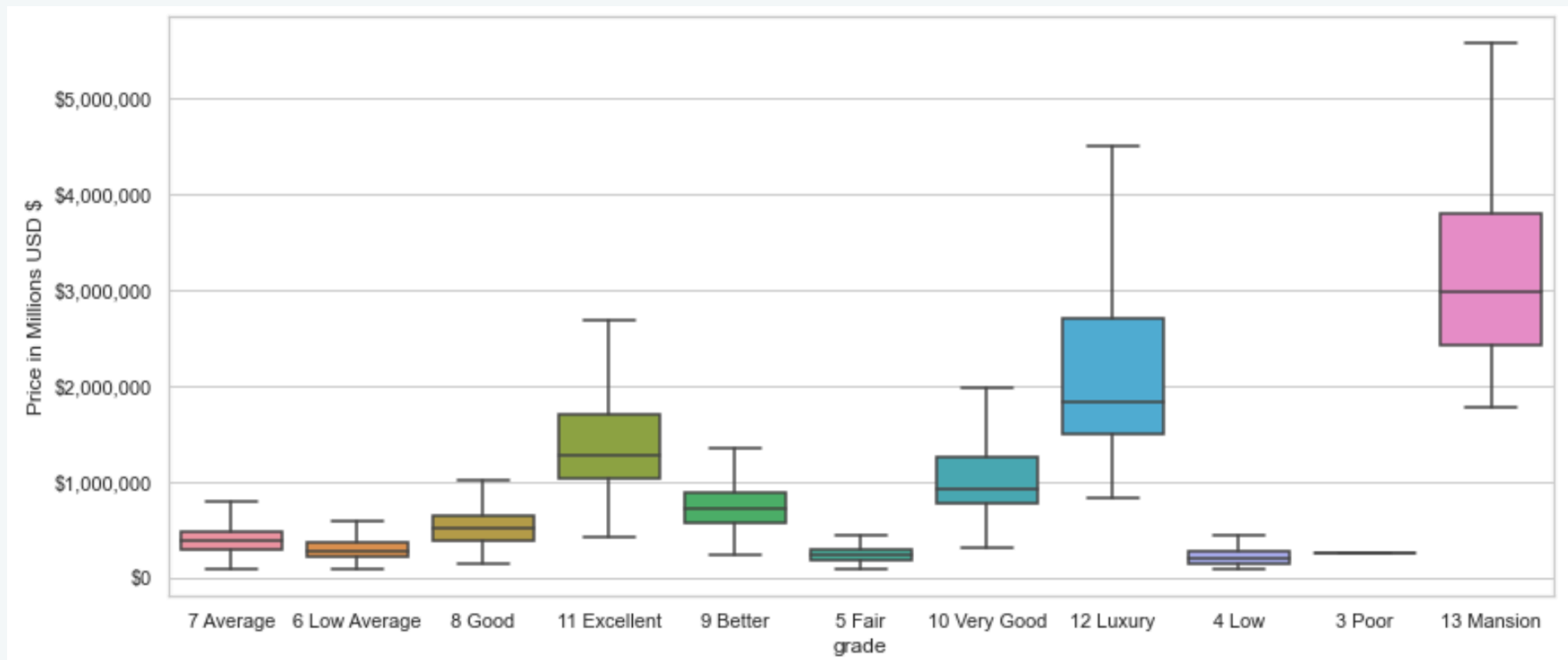
FEATURE: CONDITON

Better maintained homes result in a higher selling price



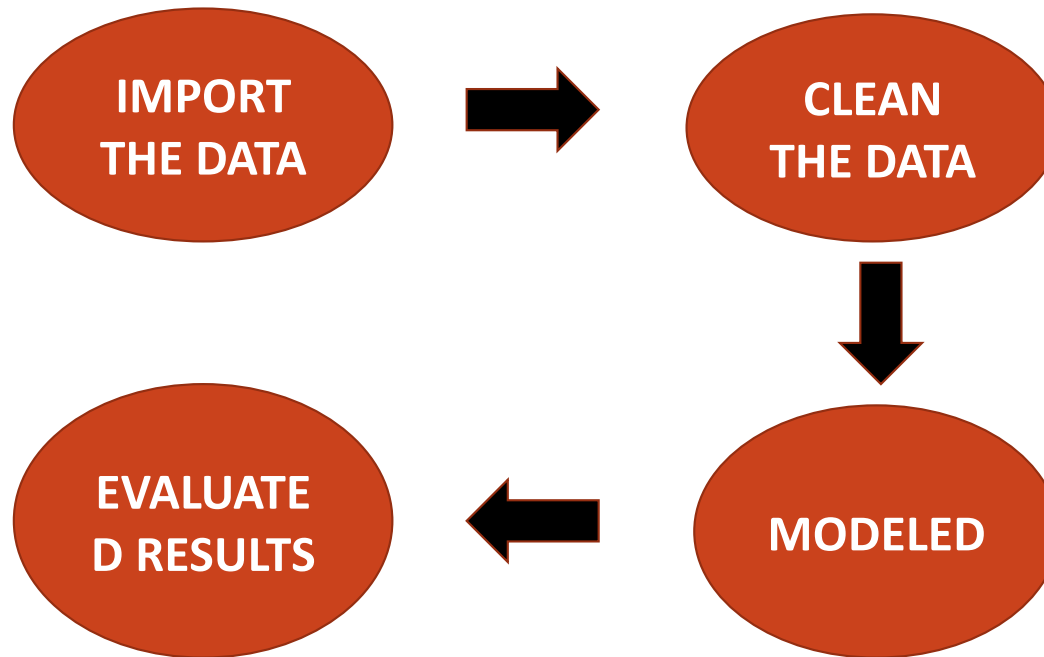
Want to ask for my money? Maintenance is **IMPORTANT**

FEATURE: GRADE



HIGH QUALITY MATERIALS = HIGHER SELLING PRICE

MODELING PROCESS



RESULTS AND RECOMMENDATIONS

FEATURE	ADDING 1 UNIT	COEFFICIENT INTERPRETATION
Grade	For every grade level increase	Price increases 19.3%
Condition	For every condition rating increase	Price increases 10.4%
Floor	For ever additional floor	Price increases 1.7%

LIMITATIONS

- Our final model only explains 58% of the variance of the data.
- Not every feature of a home was included in the model, such as location, or school districts.

NEXT STEPS

- Collect more recent data to obtain more accurate figures with the current market of King County, WA.
- Add more features into our model to see how the model's accuracy is affected.

THANK YOU

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<https://github.com/MHolthouser1024/Phase-2-housing-project>