**Business Problem**: Predicting the price of the house. What are all the factors that could influence residential home prices across the United States over the next decade?

List of external factors that could influence the price of residential home prices in USA are:

* **Demographics**(Climate risk, Air Quality, Age, race, gender, Income, migration pattern)

1. **Income growth**: If there is drastically growth in income then this will have a direct impact on the price.
2. **Population growth** is directly proportional to price. Single families or multi families will demand a big house.
3. **Crime Level**: With the increase in crime rate in a particular city/state the price will decrease and vice versa.
4. **Job growth** People tend to live near their job location, which leads to a spike in the price.

* **Economy (**GDP, Unemployment rate, Manufacturing prices of goods & services (Inflation)

1. **Growth of the Economy**: This has a direct impact on property demand causing property prices to rise.
2. **Unemployment**: Higher the unemployment rate leads to decrease in demand and price.

* **Interest rates**: Affordability is also one of the important things which has a major impact on the real estate markets.This is quite interesting as it follows the demand and supply rules. As the interest rates increase there is a smaller number of people who can afford it so the demand decreases and supply increases. Hence, the price of the house also decreases.

On the other hand, If the interest rates are low, then there are a greater number of people who can afford so the price also increases.

* **Government Policies/Subsidies**: When the government announce to increase the tax rate on the income. Then more and more people want to earn more. They believe in saving tax by investing in real estate.
* **Location**: Property prices are primarily influenced by location. If an asset's location allows for quick access to amenities such as retail malls, healthcare facilities, and entertainment venues, the price will be pushed up.

List of features that could influence the price of residential home prices in USA are:

1. **Bedrooms: -**Number of bedrooms
2. **Bathrooms: -** Number of bathrooms
3. **Square foot** **Living: -** Square footage of the home
4. **Square-foot** **Lot: -** Square footage of the lot
5. **Floors: -** Total floors (levels) in house
6. **Waterfront: -**House which has a view to a waterfront
7. **Condition: -** How good the condition is overall
8. **Grade: -** overall grade given to the housing unit
9. **Square-foot** **Above: -**Square footage of house apart from basement
10. **Square-foot** **Basement: -**Square footage of the basement
11. **Year** **Built: -** Built Year
12. **Year** **Renovated: -** Year when house was renovated
13. **Zip-****code: -** Zip code