

King County House Prices

Juan Pérez

Stakeholder

The stakeholder is a very important investor in the real state business.

The client wants to expand his business to the Seattle area.

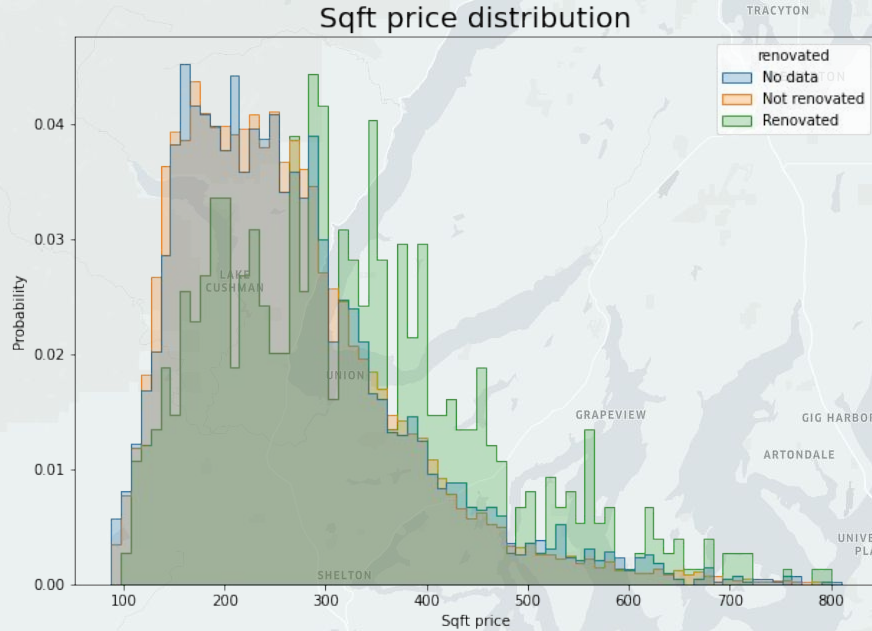
He wants to understand better the local market and maximize benefits.

Hypothesis

1. Renovated houses are more expensive than not renovated ones.
2. One extra bedroom increases the price more than one extra bathroom.
3. The biggest lots are situated far from the city center.

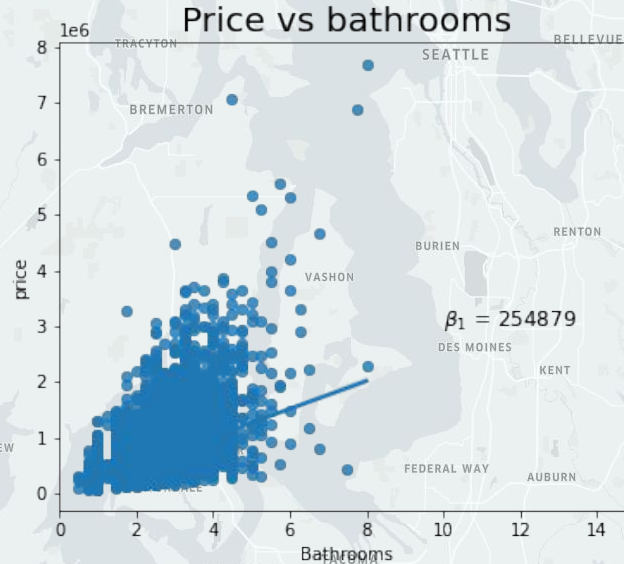
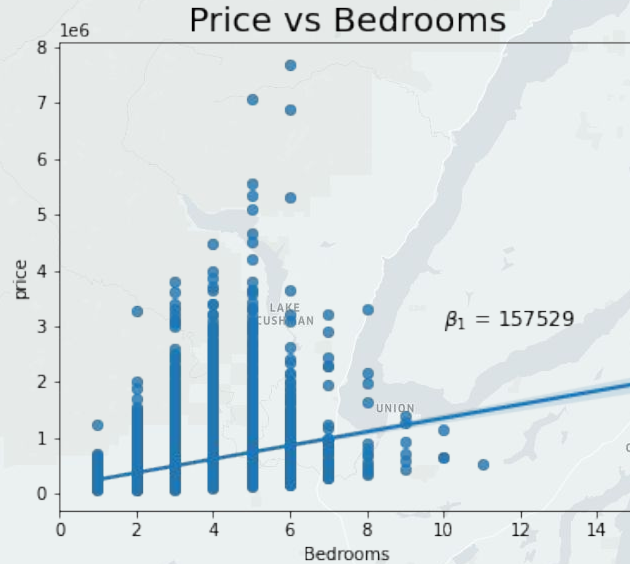
1st Hypothesis

Renovated houses are more expensive than not renovated ones.



2nd Hypothesis

One extra bedroom increases the price more than one extra bathroom.



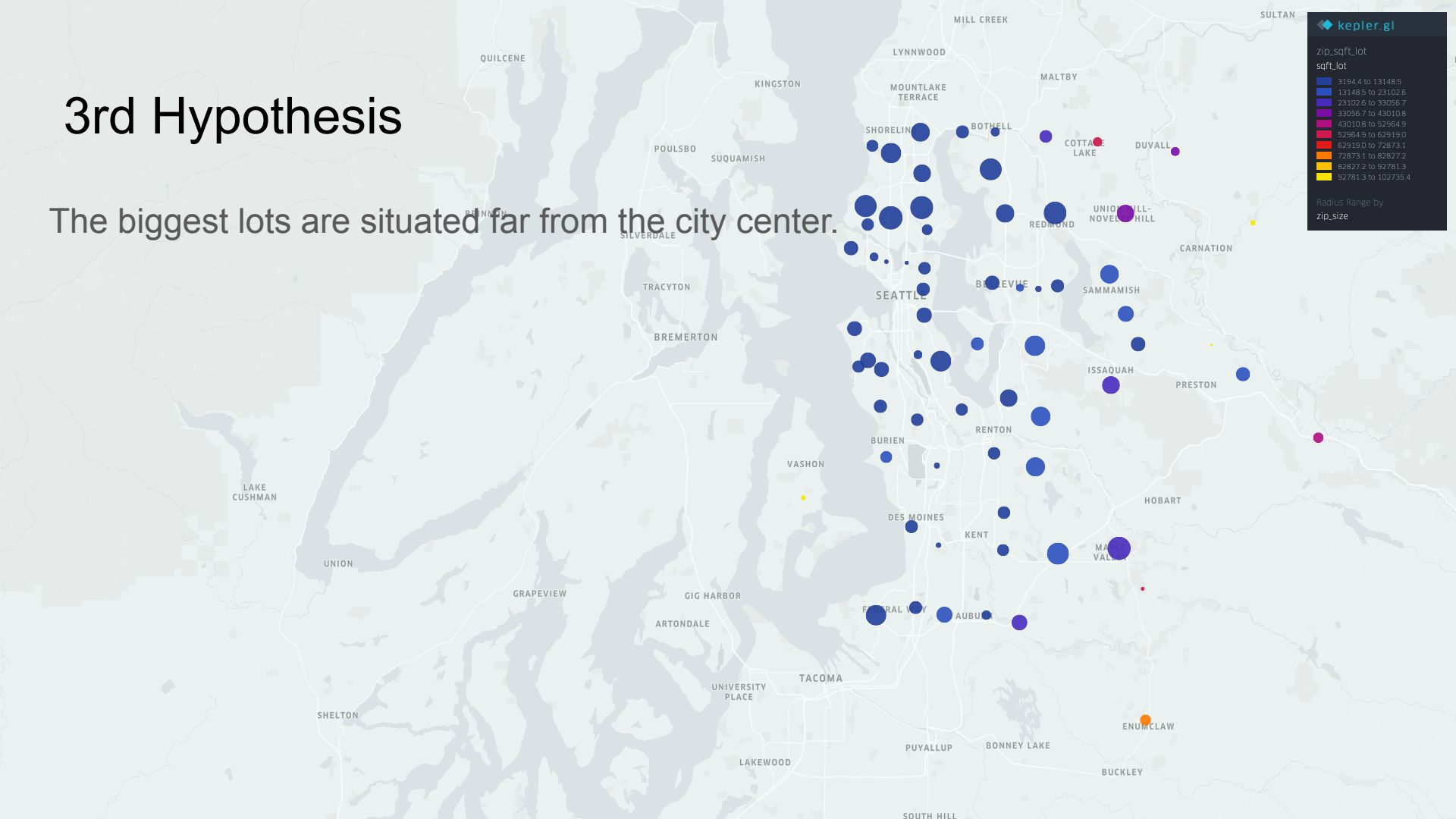
Multiple Linear Regression
Coefficients:

bedrooms : -33311.86

bathrooms : 24459.69

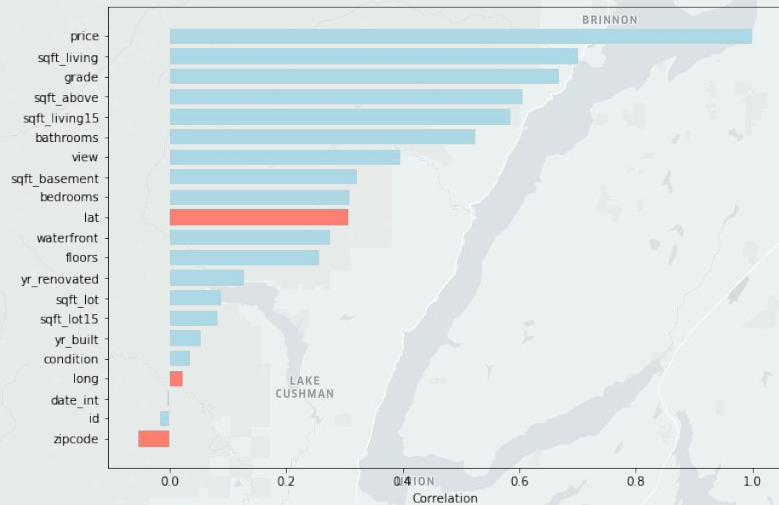
3rd Hypothesis

The biggest lots are situated far from the city center.



Variables selection

Price correlation



kepler.gl

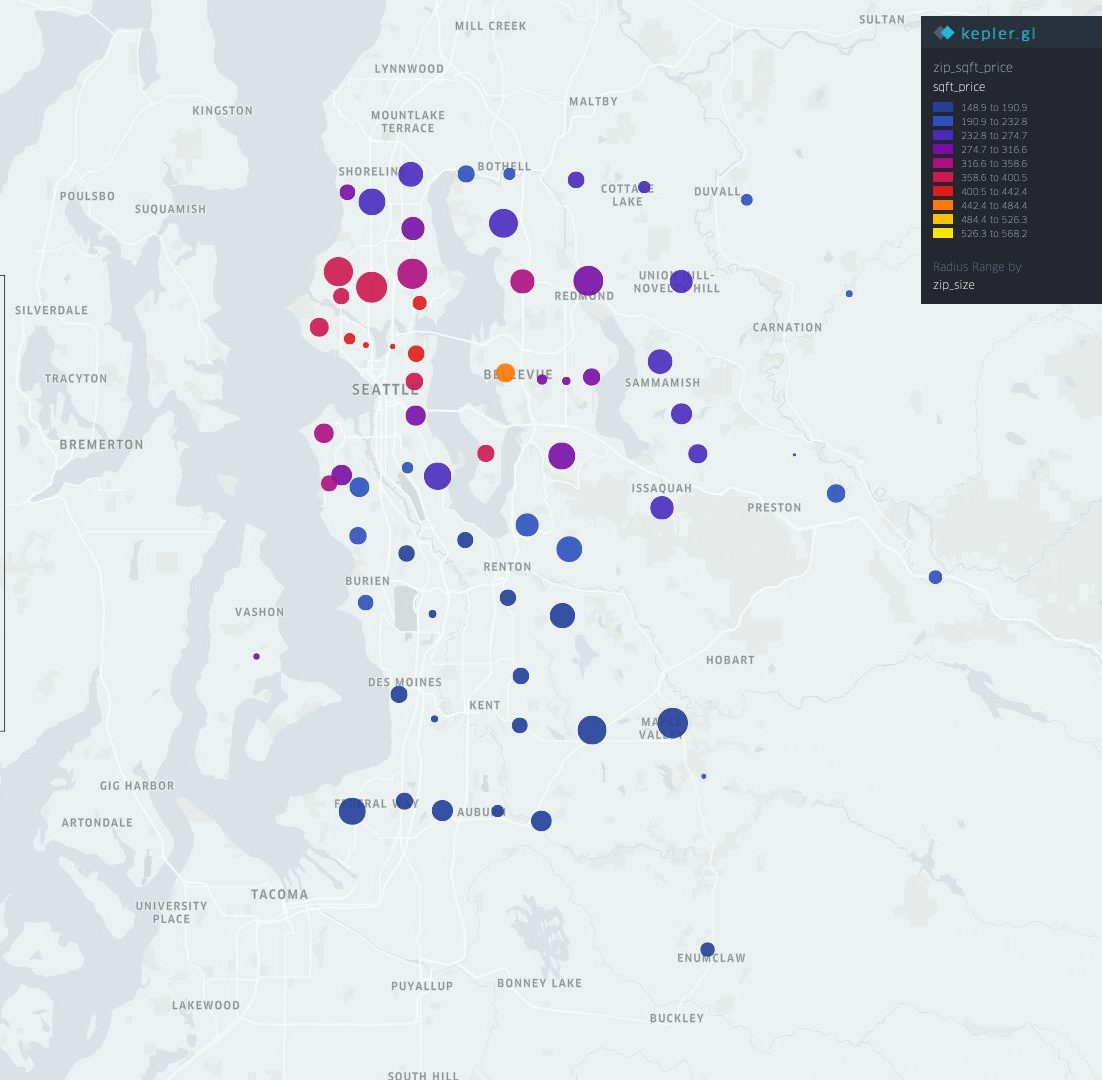
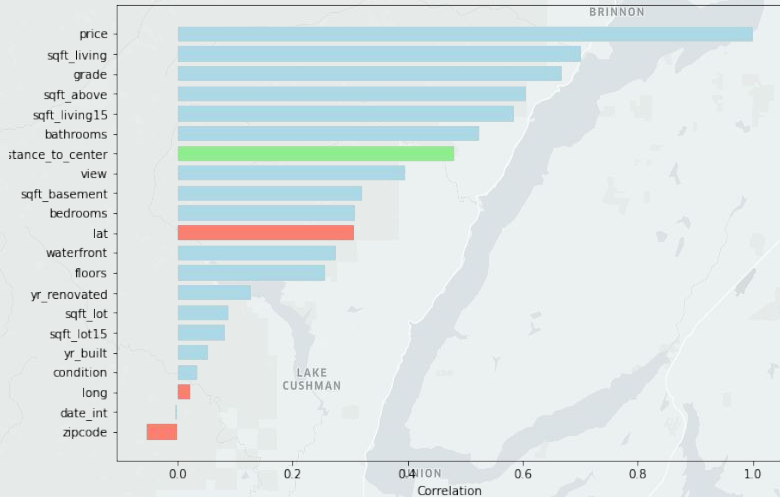
soft_price

soft_price

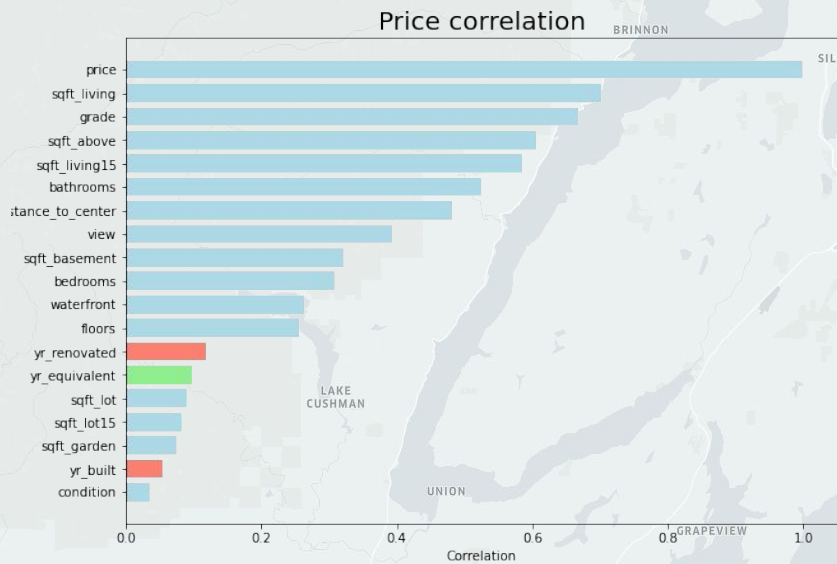


Variables selection

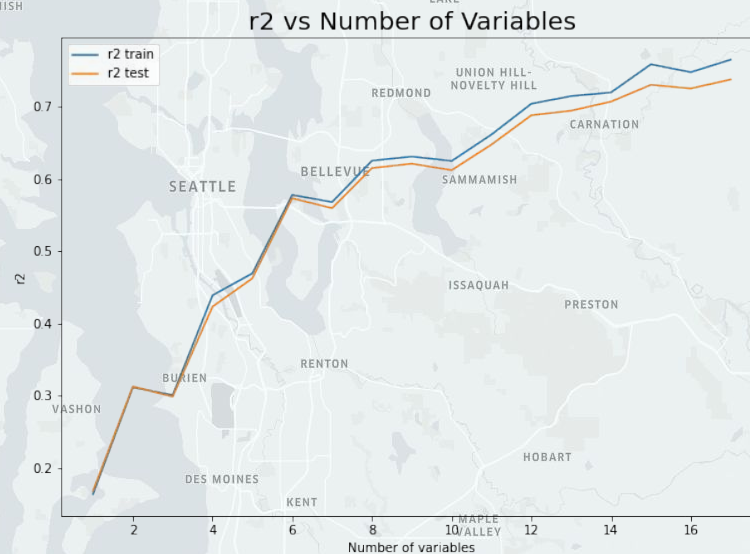
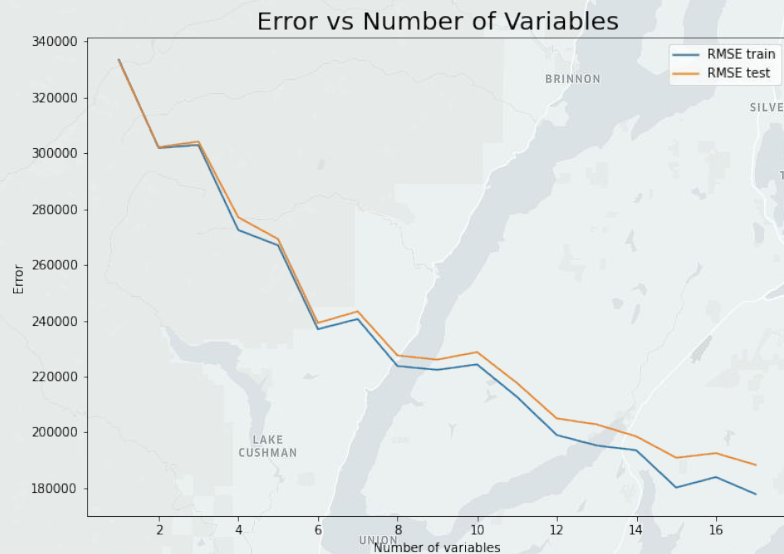
Price correlation



Variables selection



Results



15 Variables - ['yr_built', 'sqft_living15']	RMSE	R2	R2 adjusted
Train set	177912.78	0.765	0.765
Test set	188227.55	0.738	0.737