

King County Housing Market Analysis

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Background

A real estate company in the King County area wants to investigate house sales in order to predict pricing.

The goal is to identify factors which significantly affect house values.



Analysis Guide

- Explore location and price relationship
- Explore relationship between waterfront status and price
- Explore house grade and price relationship



Exploration





Location & Price

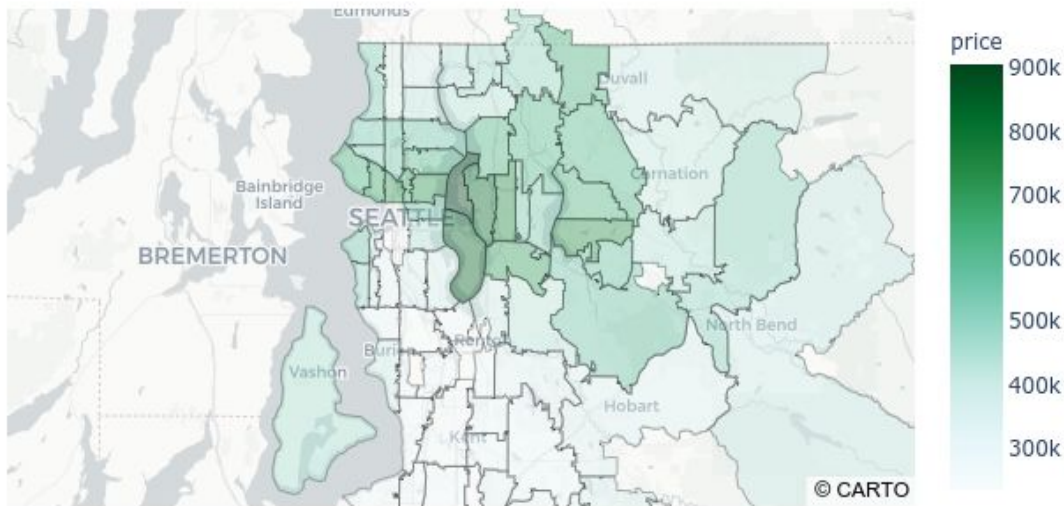
King County Median House Price by Zip Code

The 3 zip codes with the highest median house value are:

- 98039: \$906.25k
- 98040: \$850K
- 98004: \$834.5K

These locations are indicated on the map by their darker green color.

A house in the 98039 zip-code, gains a value boost of \$600k.



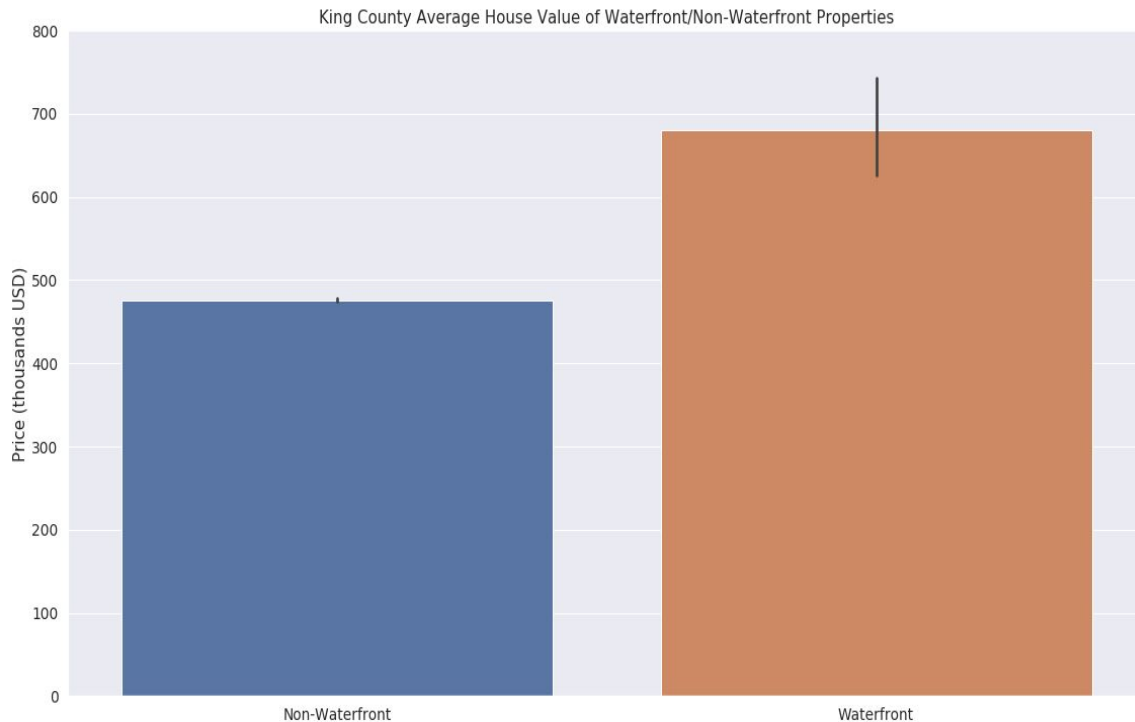
[Click Here](#) to download interactive version



Waterfront Status

95% confidence level that there exists is a significant difference in house value between waterfront and non-waterfront houses.

A house on the waterfront, gains a value boost of \$140k.

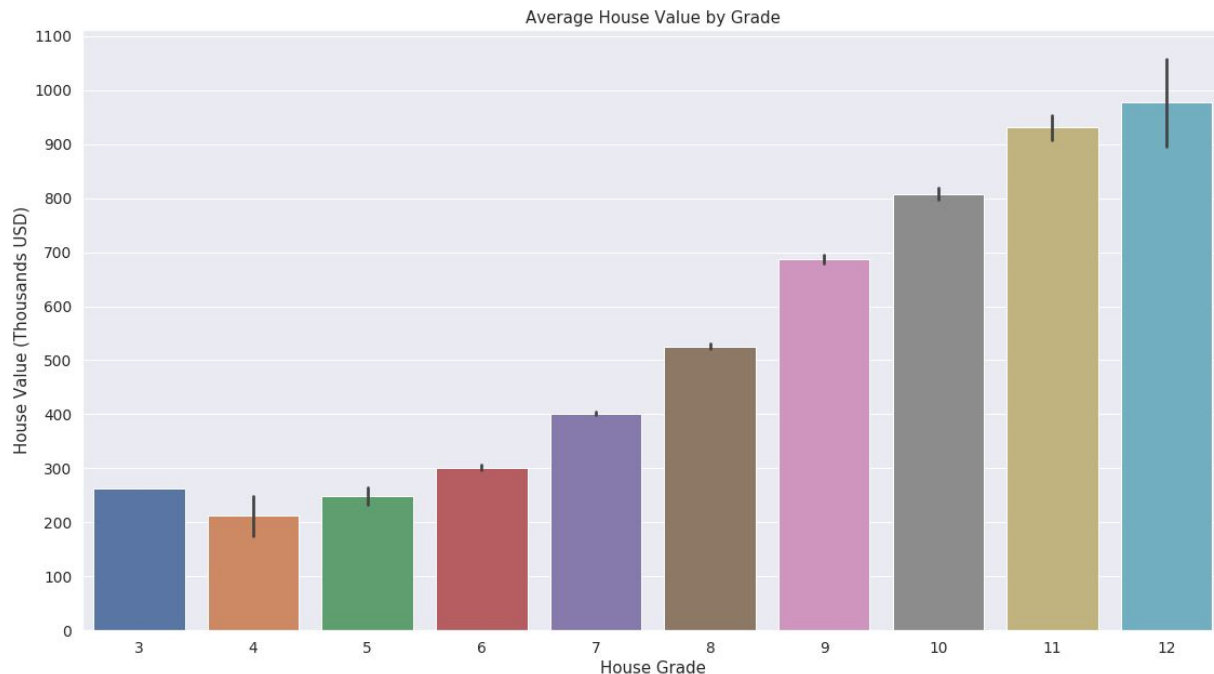




House Grade & Price


Grade impacts house value, higher grade levels show an increased average value.

A house with a grade of 12, gains a value boost of \$322k.





Housing Market Models

Model A	 Model B
<p>Features: 1</p> <p>Score: 36.1%</p> <p>Average Error: \$165,934.27</p> <p>Interpretation: Extremely simple univariate model, but it has high error, and explains only 36% of the variation.</p>	<p>Features: 120</p> <p>Score: 83.3%</p> <p>Average Error: \$84,537.19</p> <p>Interpretation: Difficult to visualize multivariate model, but it has a low average error, and explains 83% of the variation.</p>

Thank you

