

NOSTRADAMUS RESEARCH COMPANY

---

# AMES HOUSING PRICES PREDICTIONS

# AGENDA

- I. Why are we here?
- II. What did we find?
- III. How did we do it?
- IV. Where are we going?
- V. When will this presentation end ?

## WHY ARE WE HERE?

The **defining parameters** of housing prices in Ames, IA

**Predicting** the sales prices based on given data of 878 houses in Ames

WHAT DID WE FIND ?

overall quality of the house
overall condition of the house
total living area
# of bedroom
# of kitchen
# of bathroom
garage size
fireplace
age of the house

## HOW DID WE DO IT ?

**8 %**

of the all houses in  
Ames

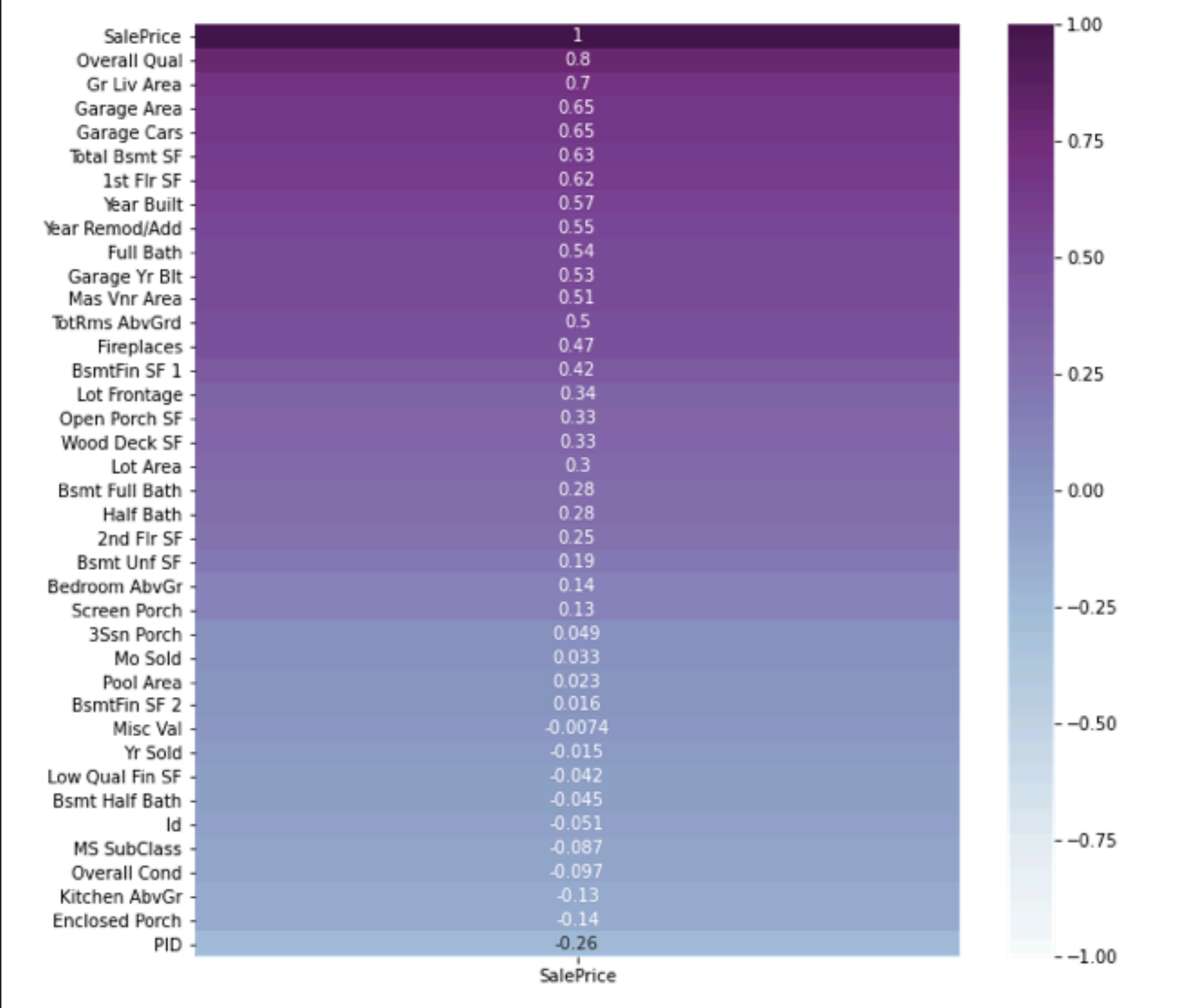
**200 +**

parameters

**13**

models were designed

HOW DID WE DO IT ?

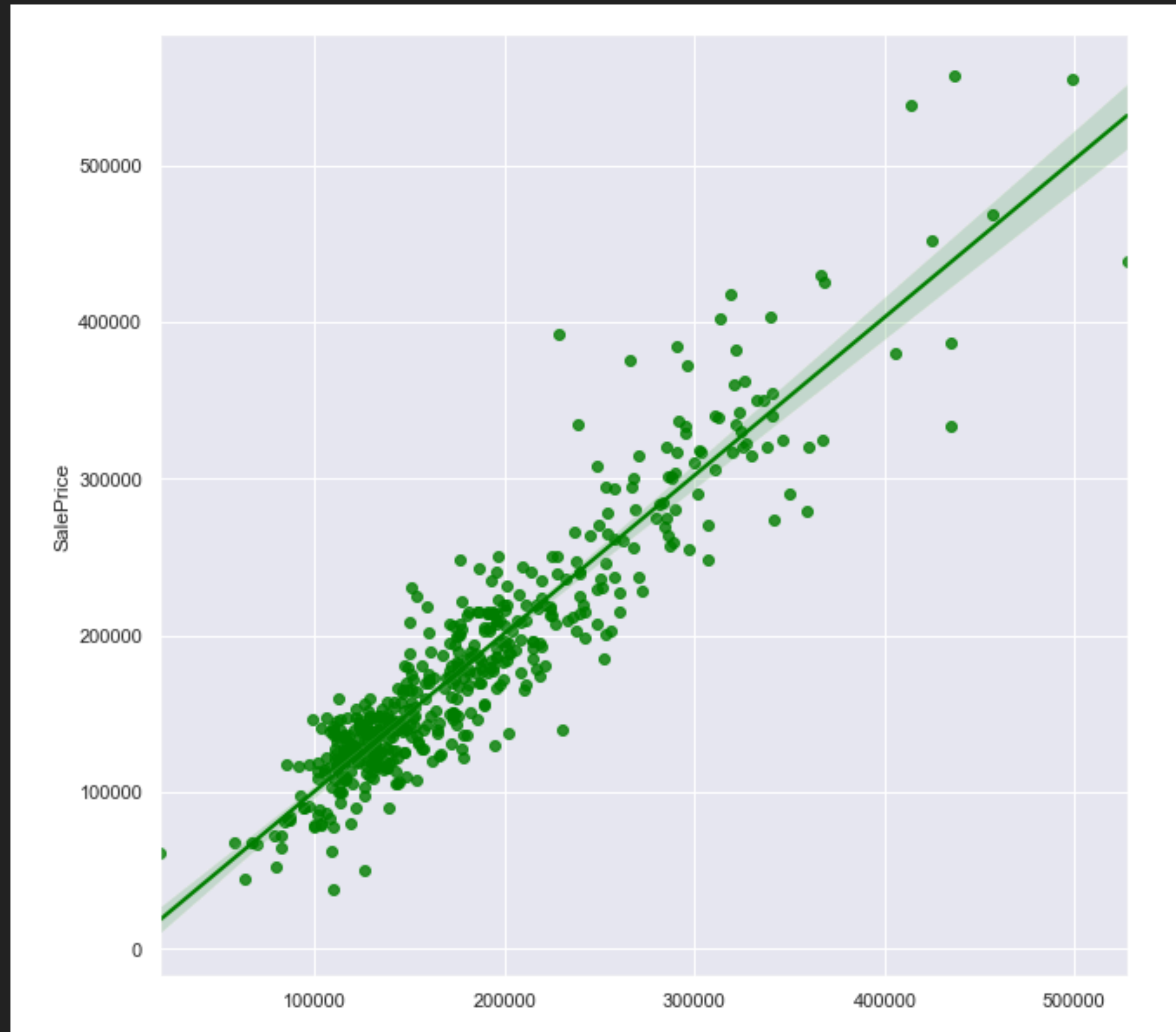


HOW DID WE DO IT ?

Table 1

Models	Parameters	R-s Cross Val score
Model 1	MS SubClass	23%
Model 2	MS Zonning	15%
Model 3	Neighborhood	55%
Model 4	Kitchen Quality	48%
Model 5	Time and Age variables	38%
Model 6	Multiple variables and combinations	75%
Model 7	Multiple variables and combinations	78%
Model 8	Multiple variables and combinations at arranged prices	80%
Model 9	Multiple variables and combinations	80%
Model 10	Multiple variables and combinations	85%
Model 11	Multiple variables and combinations	87%
Model 12	Multiple variables and combinations	86%
Model 13	Multiple variables and combinations	90%

## HOW DID WE DO IT ?





## WHERE ARE WE GOING ?

- I. Given parameters are the most important ones but ....
- II. You can use our prediction model going forward.

## WHEN WILL THIS END ?

When all of your questions are answered.