

Overview

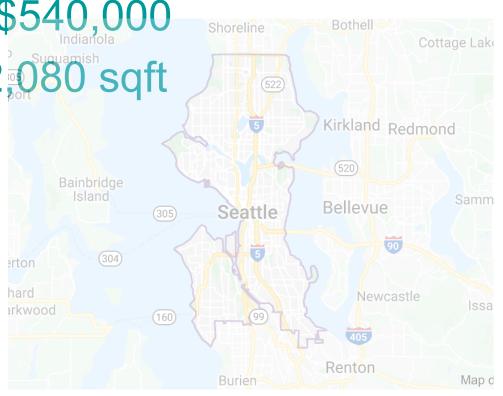
Over 21,000 homes

Average Price = \$540,000

• Average Size = 2,080 sqft

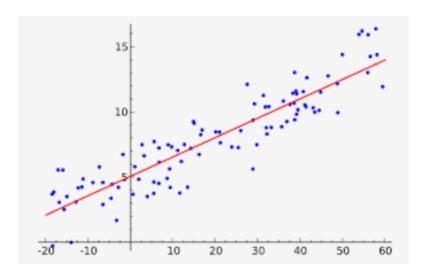
Hypothesis

- Location
- Size
- Quality



Methodology

- 1. Understand and Prepare Data
- 2. Explore the Data
- 3. Model the Data using Linear Regression
- 4. Interpret Results

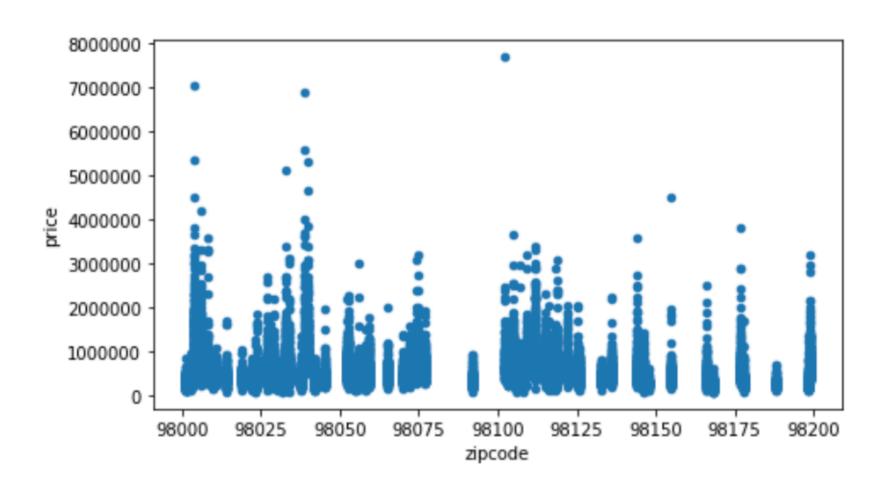


Results

 The following results are based on a model with 81.8% accuracy.

- The most important variable is location or zipcode.
 - This attribute accounts for up to a 90% increase in value, specifically for homes located close to Seattle.

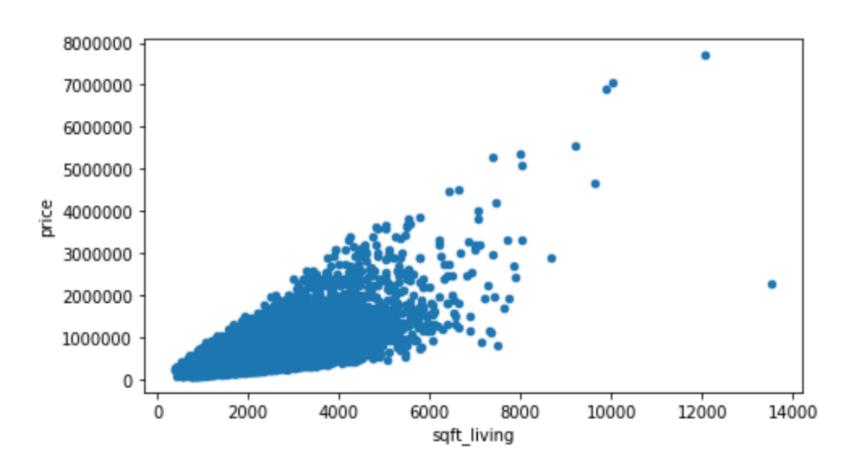
Zip Codes and Home Values



Results Continued

- The second most important feature is sqft. of living space.
 - Increases in living space can account for up to an 80% increase in price.

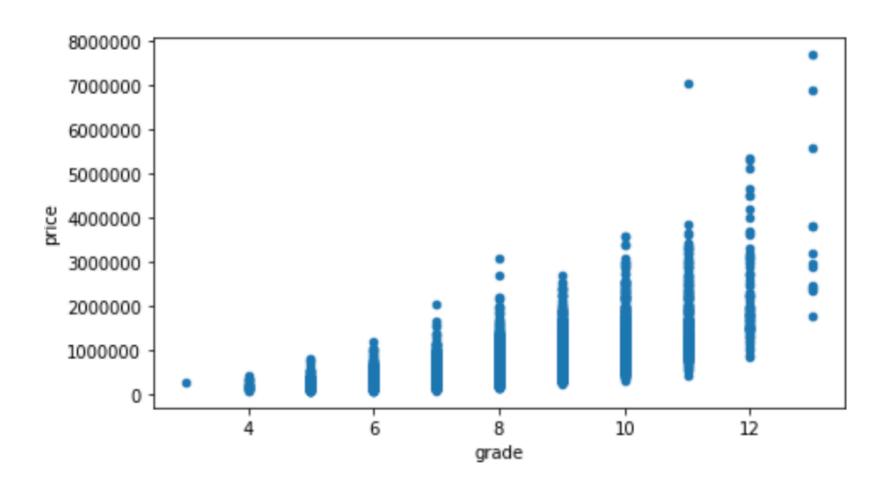
Sqft of Living Space / Price



Results Continued

- The third most important attribute is grade.
 - Grade is defined by types of material used and quality of craftsmanship.

Grade / Price



Recommendations

- Purchase a home near Seattle
- Renovate to improve square footage of living space.
- Find contractors that use the highest quality materials and are skilled craftsmen.

Future Work

- See how school district influences home values.
- See how economic cycles influence when and how much people are willing to pay for a home.

Thank You!

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