

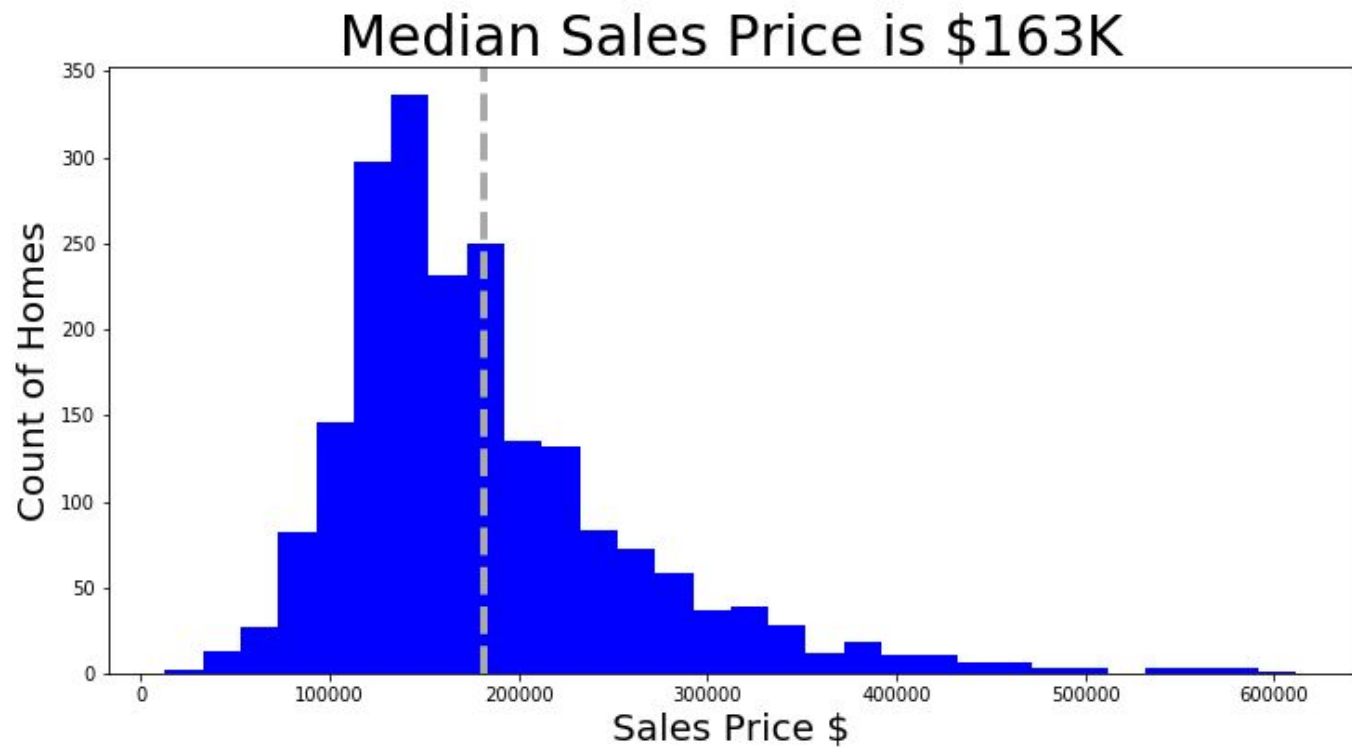
DB Realty Group
Development Strategy
Ames, Iowa

Mar 2019

Analysis Goals

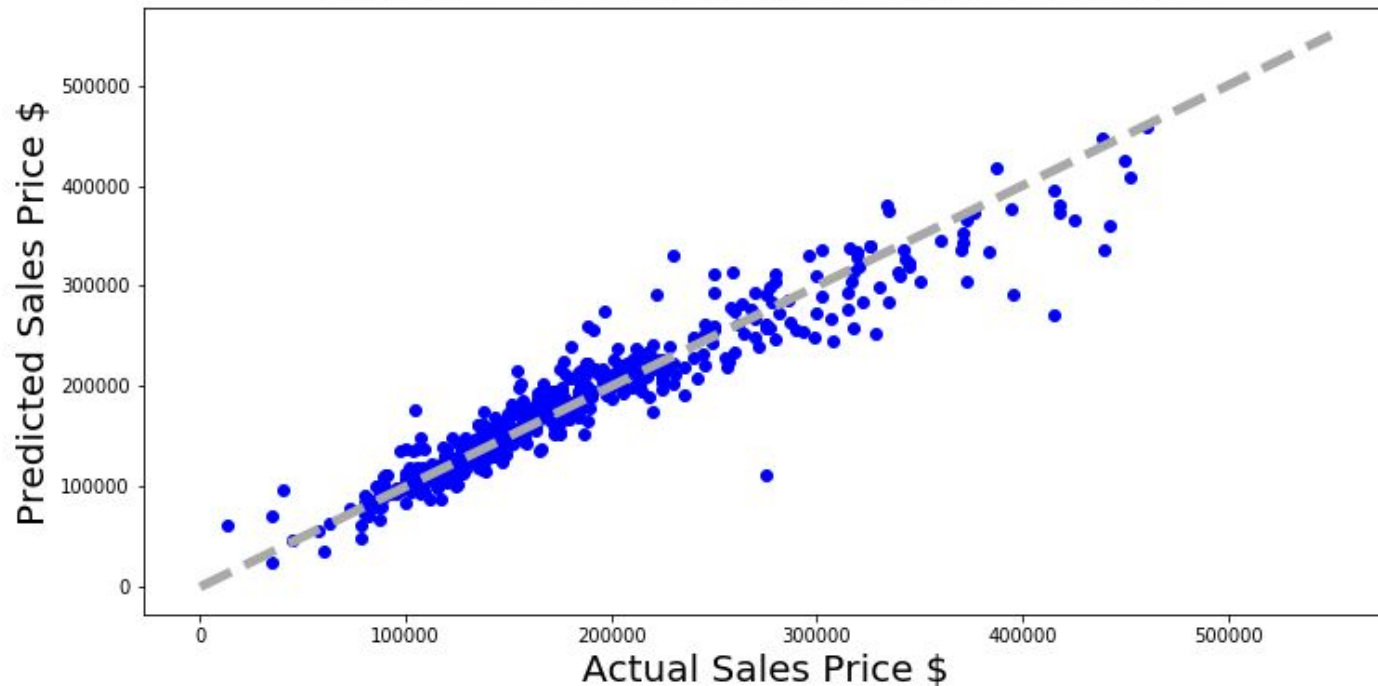
- ❑ Accurately predicting home prices, and identifying characteristics of 'value homes'
- ❑ Identify attributes that are predictive (and not) that can be obtained for other markets

Home Prices in Ames



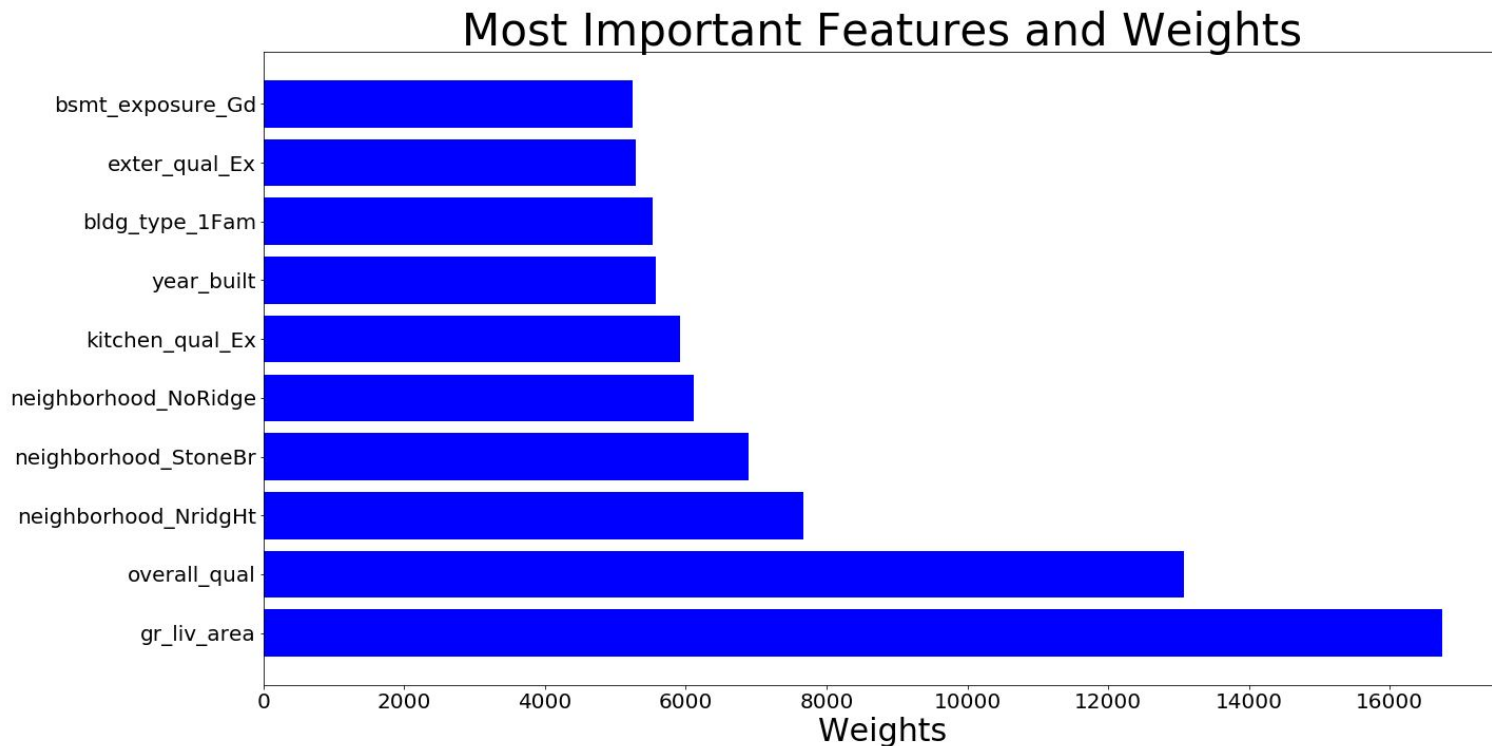
Model Performance

Actual vs Predicted Sales Prices



R2 Score = 90%

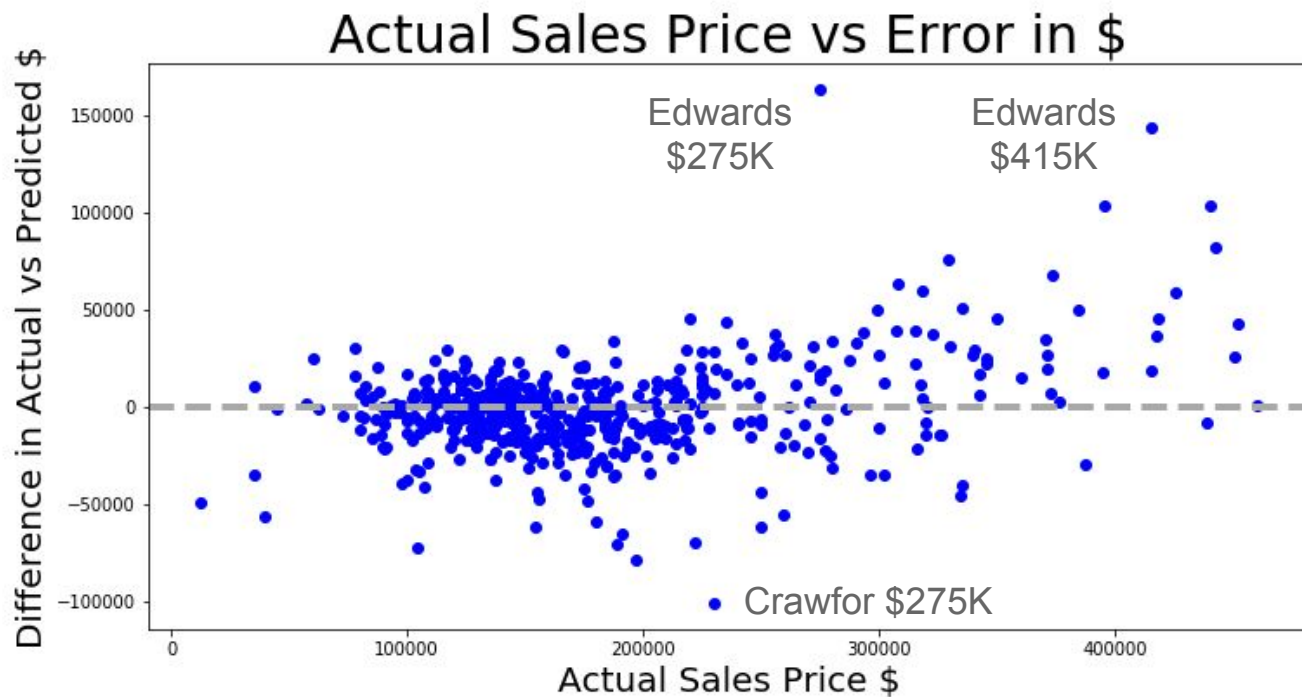
Most Important Attributes Affecting Sale Price



Which home attributes had minimal impact?

- ☐ Roof Style
- ☐ Foundation Type
- ☐ Basement Quality/ Condition (Qualitative)
- ☐ Exterior Condition (Qualitative)

Model Limitations



Implications & Next Steps

- ❑ Investigate outliers in predicted home prices
- ❑ Build model on more generalizable features to test performance in future markets (i.e. sqft, year built, garage space, etc.)
- ❑ In more expensive markets, use model as the first offer or a 'conversation starter'