
Ames Housing Project

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General Assembly

Objective

- 1) Predict the price of houses in Ames.
- 2) What affects the price of houses in Ames the most?

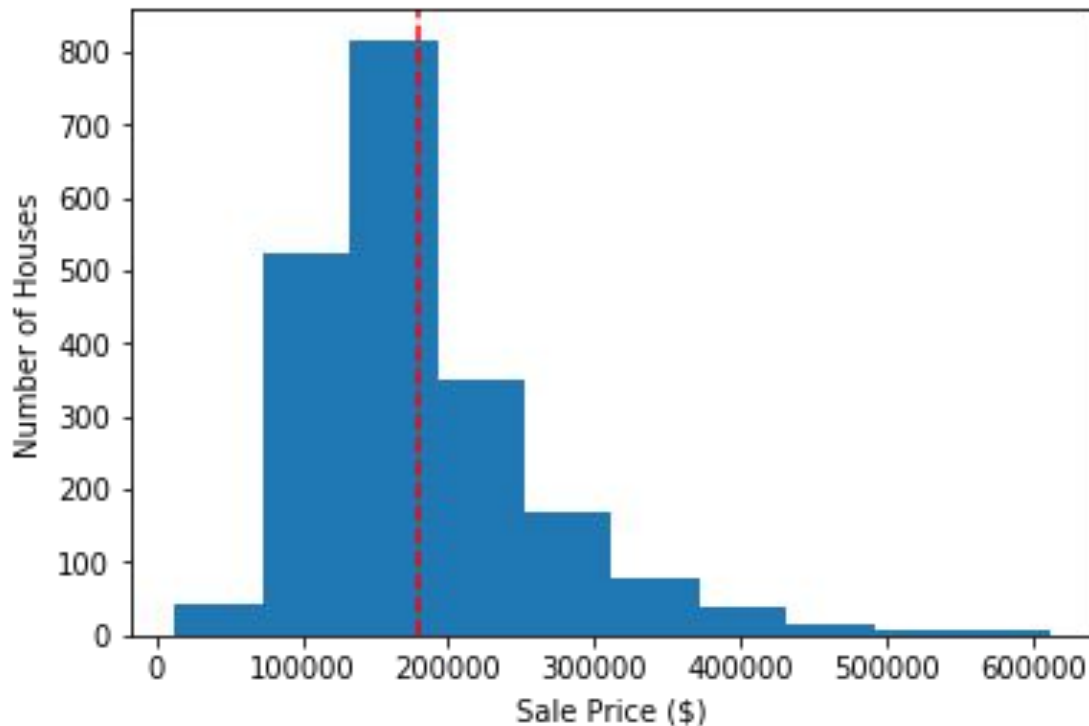




The Data

- 2051 houses
- 80 Indep Par!

Distribution of House Prices



Our Model

Average error

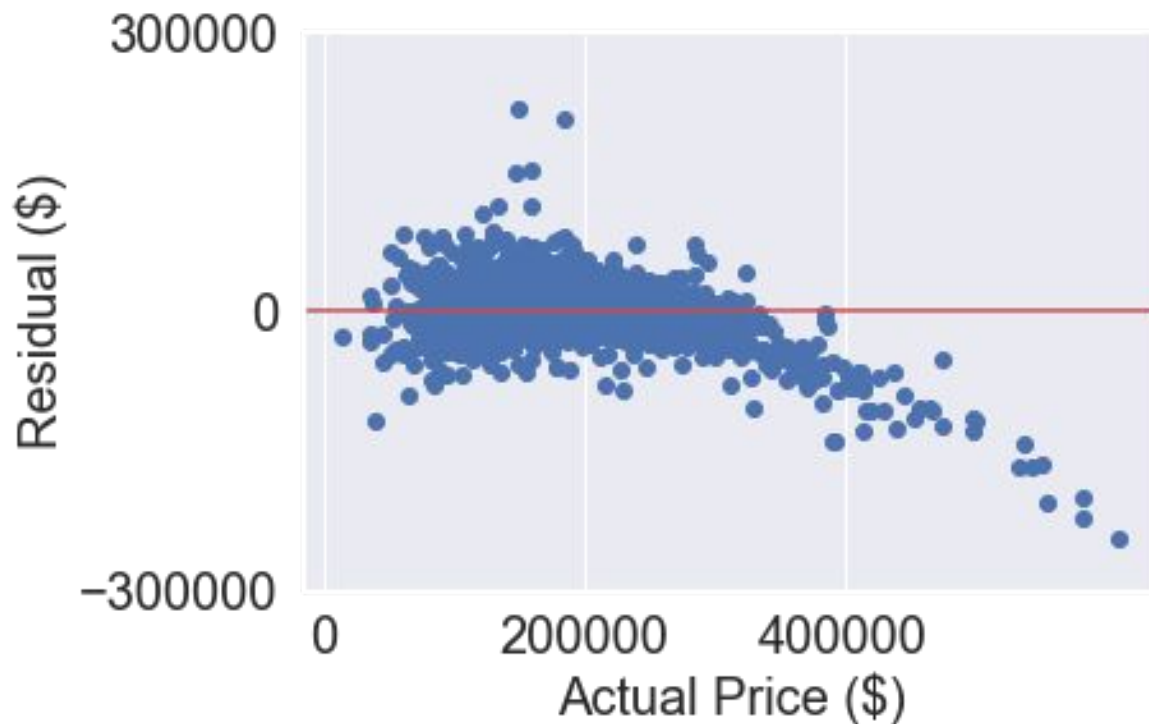
+/- \$32k



Our Model

Average error

+/- \$32k

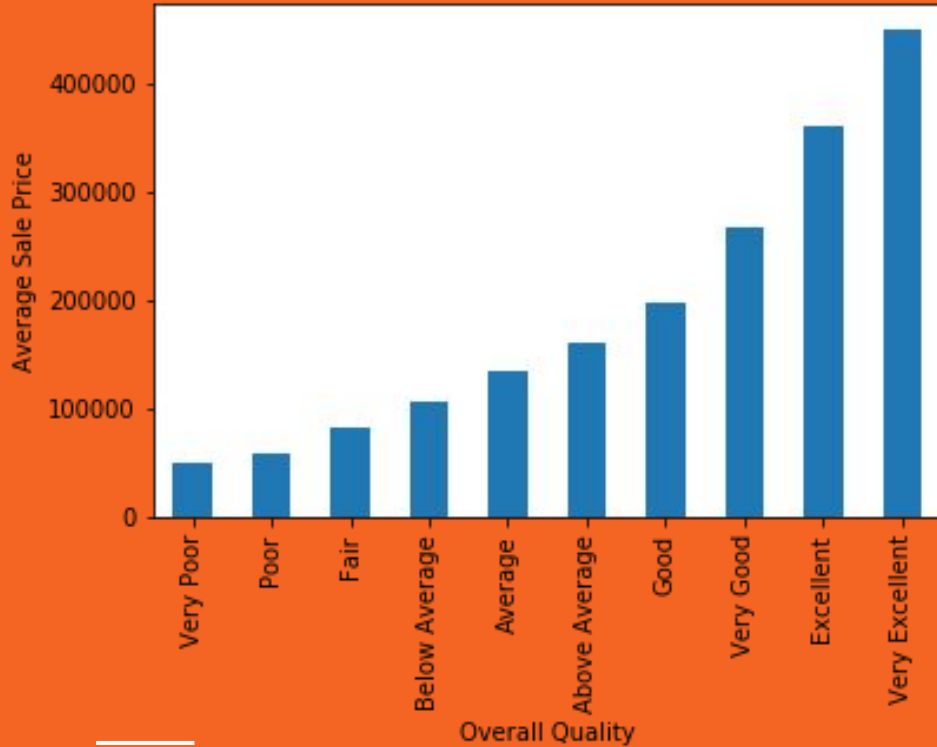




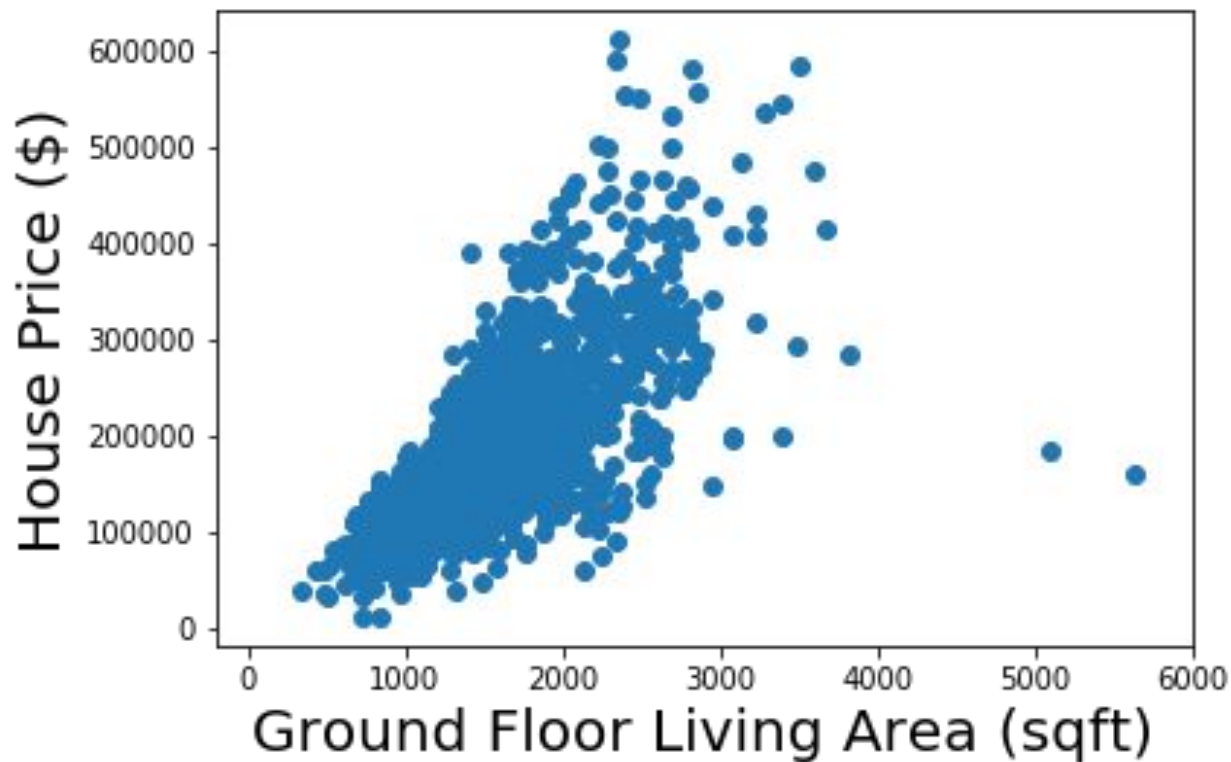
**Most
Important
Factor?** 🤔

Winner is Overall Quality!

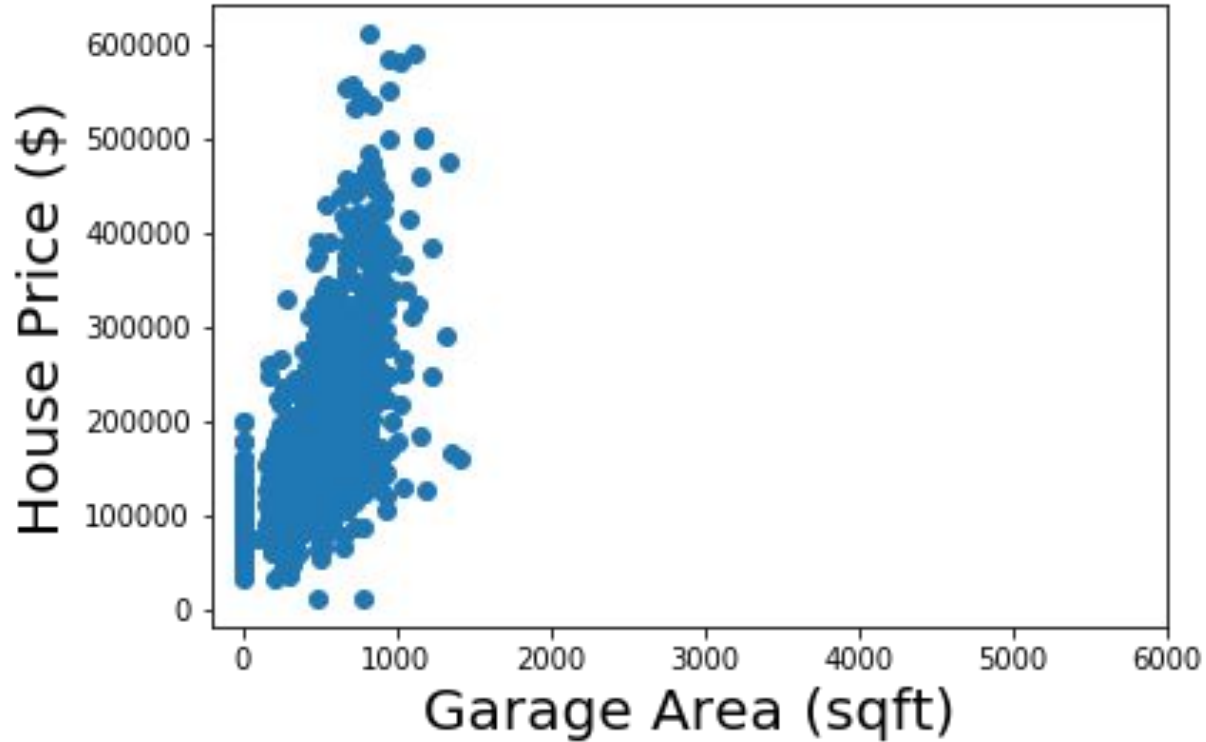
Rates the overall material and finish of the house



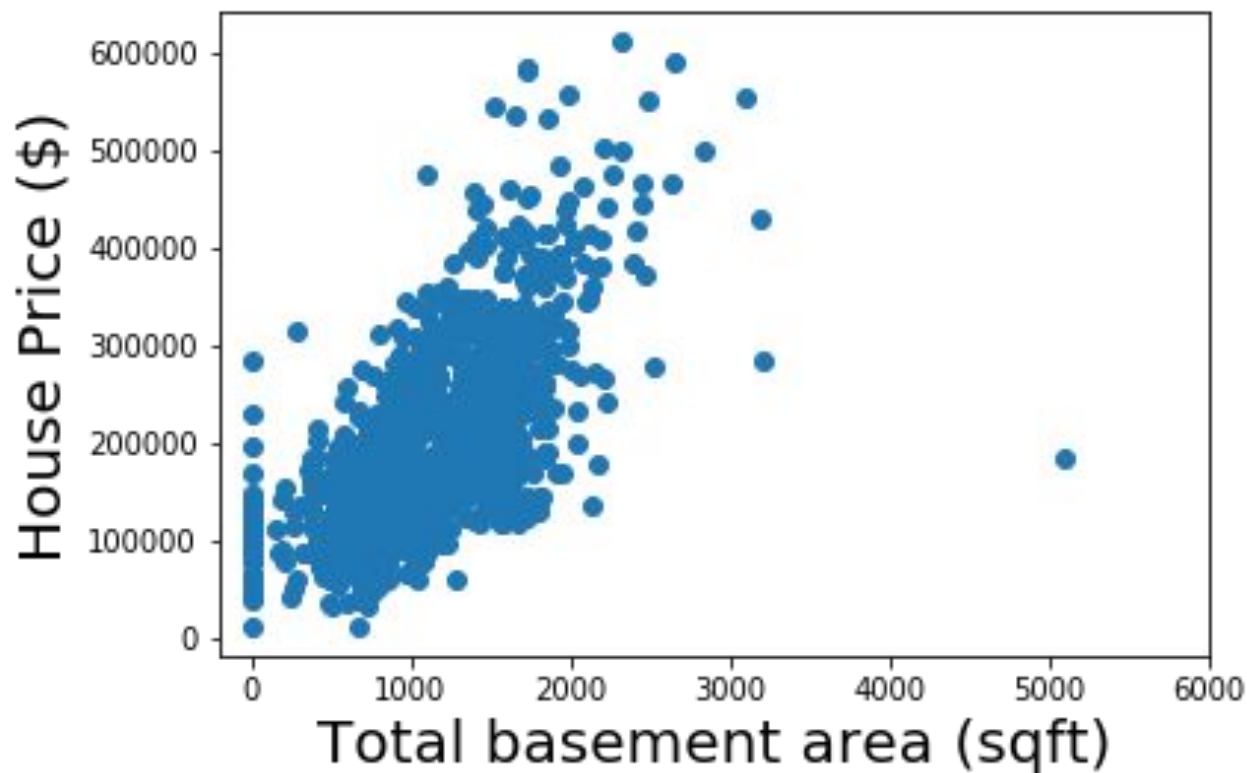
Ground floor



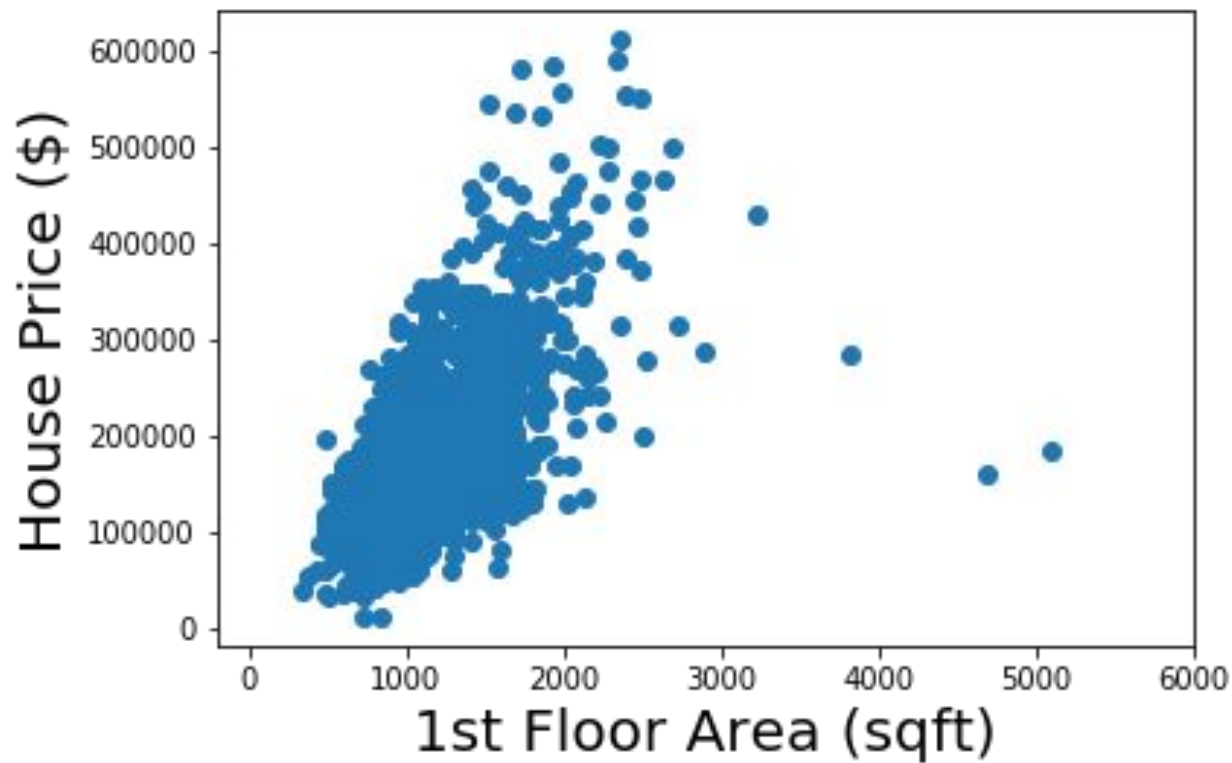
Garage



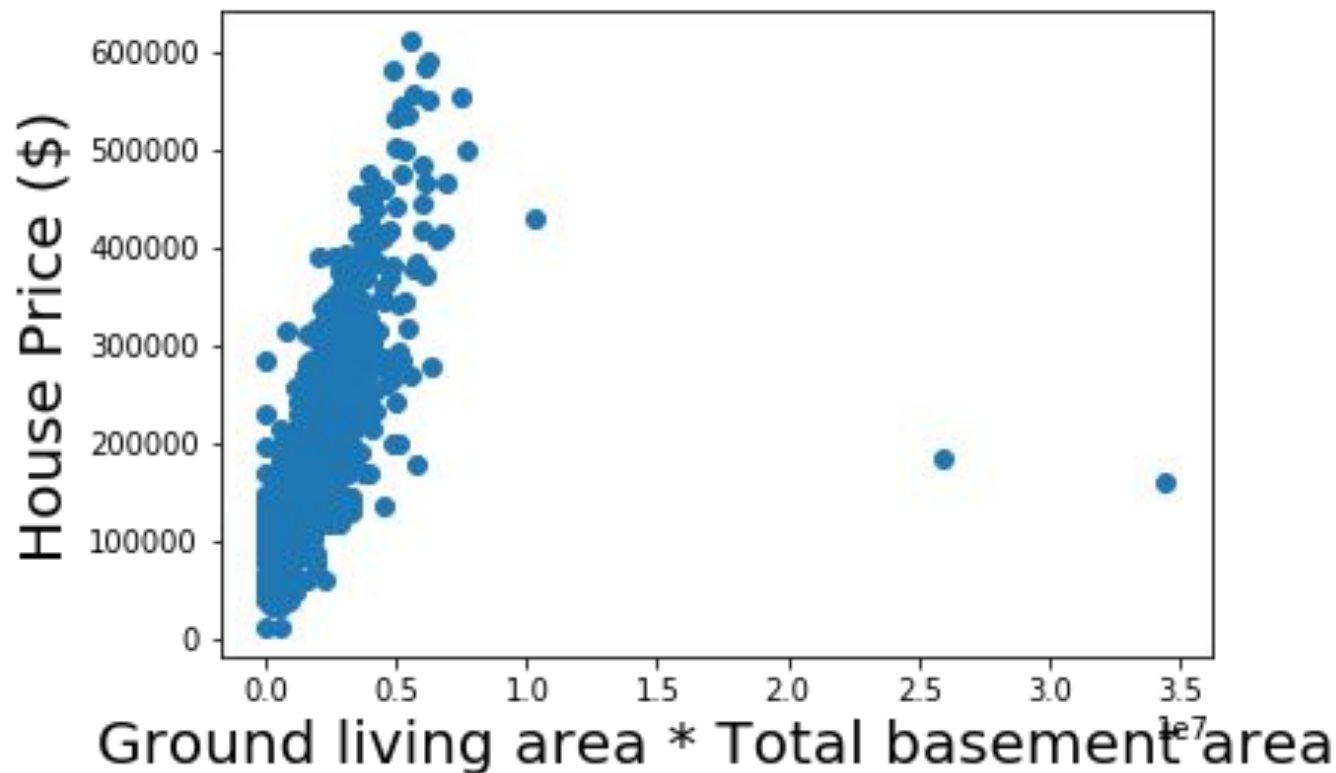
Basement



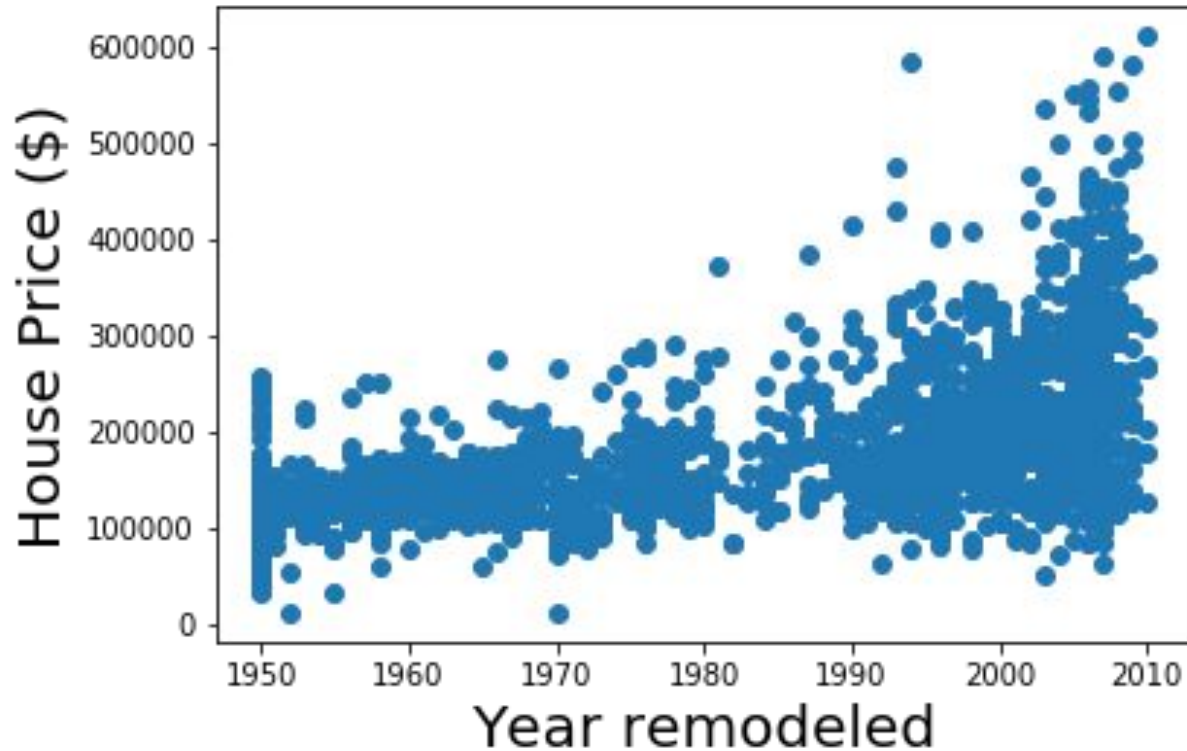
1st Floor



Interaction term



Year Remodeled



Neighbourhood

● \$\$\$

◆ Stone Brook

◆ Northridge Heights

◆ Northridge

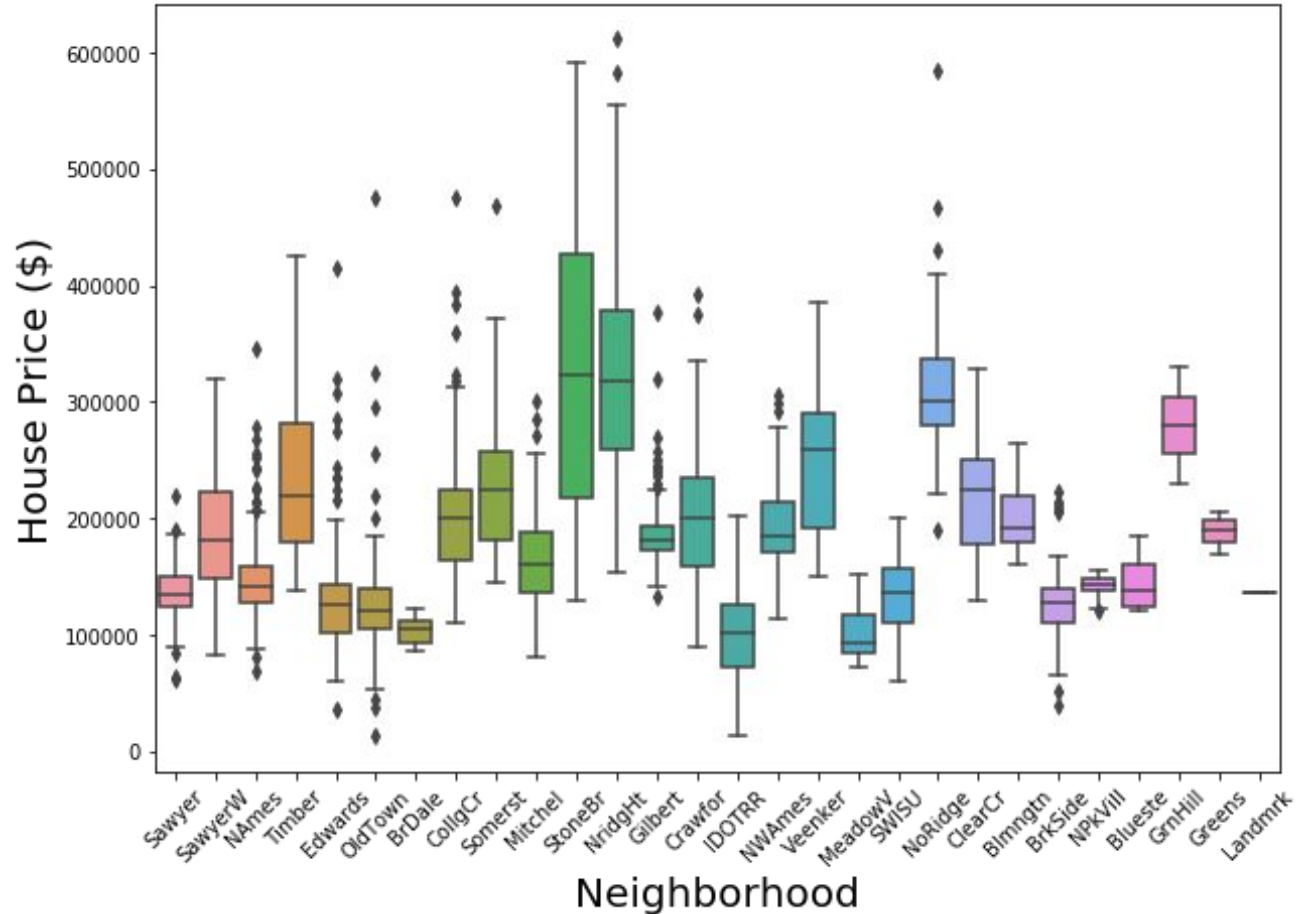
◆ Green Hills

● \$

◆ Meadow Village

◆ Iowa DOT and Rail Road

◆ Briardale



Conclusions

- Our model can predict price of houses with an average error of $\pm \$32k$
- Most important factor is overall quality of the house.
- Other factors mostly involve the sq ft and neighbourhood.

