

Predictive Factors in Proposed Construction Cost Estimation

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Objective and Overview

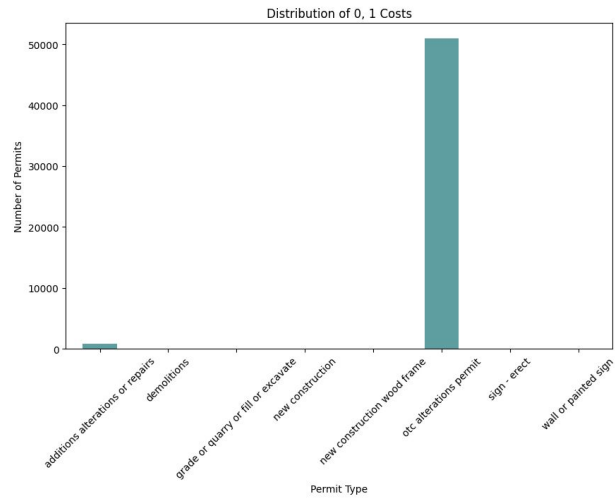
Objective

Identify key predictive factors in determining the cost for a proposed construction and better project-planning by leveraging building permit data

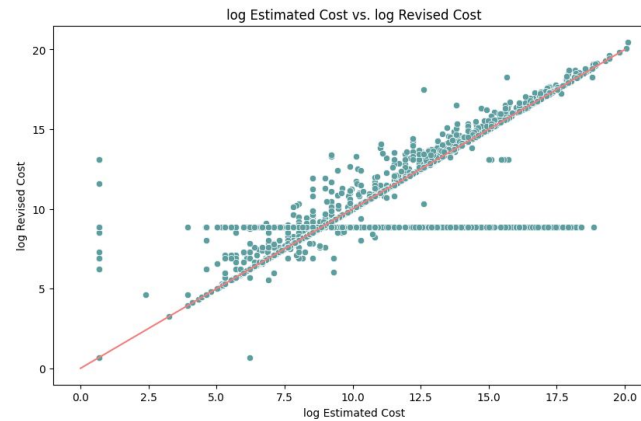


Data Exploration

OTC Alterations Permit

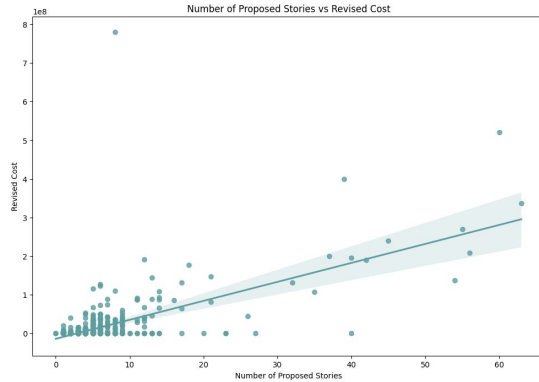


Estimated vs. Revised Cost



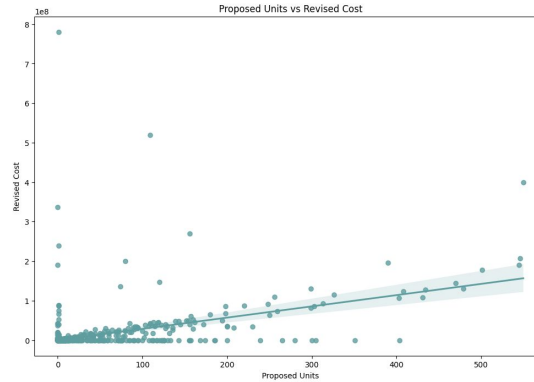
Key Predictive Factors From Modeling

Number of
Proposed Stories



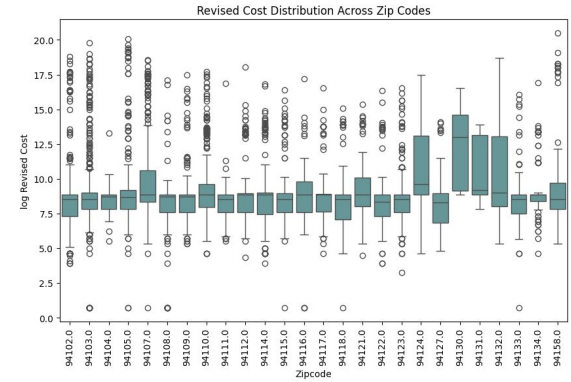
Correlation: 0.6717971924203289

Proposed Units



Correlation: 0.492301751392446

Zip Code



Recommended Actions

1. **Early and accurate** estimation of the number of stories
 - a. Larger buildings will expectedly be more costly
2. Close Attention to **cost per unit**
 - a. Different types of units may have different costs per unit
 - b. More units will expectedly be more costly
3. Focus on **local market conditions**
 - a. Location can be out-of-budget

➤ **Top-down approach to estimation**

