SELL YOUR HOME FOR A KING'S RANSOM

A STRATEGIC APPROACH TO SELLING YOUR HOME IN KING COUNTY

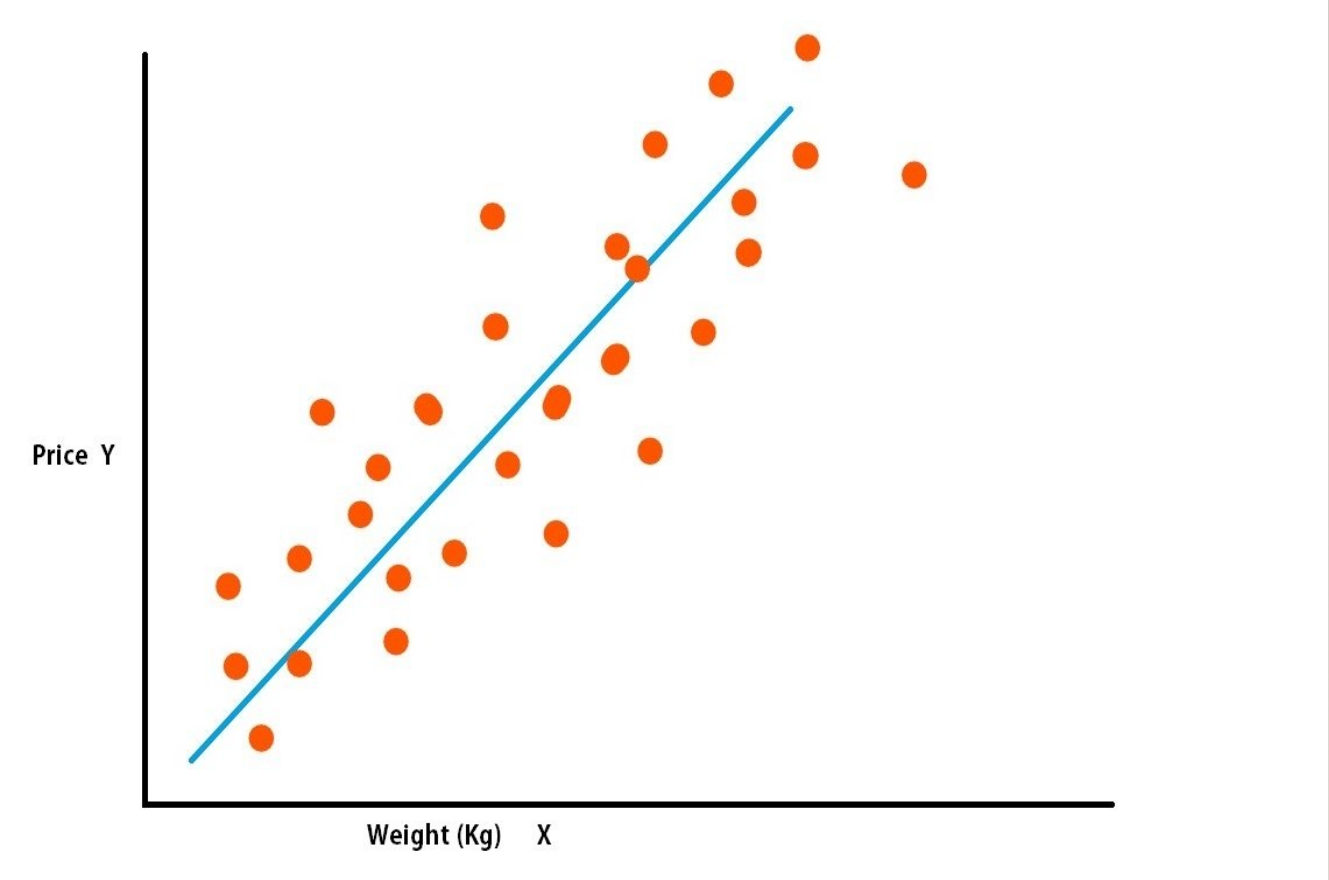
MODULE 2 PROJECT BY HITEN PATEL

OBJECTIVES

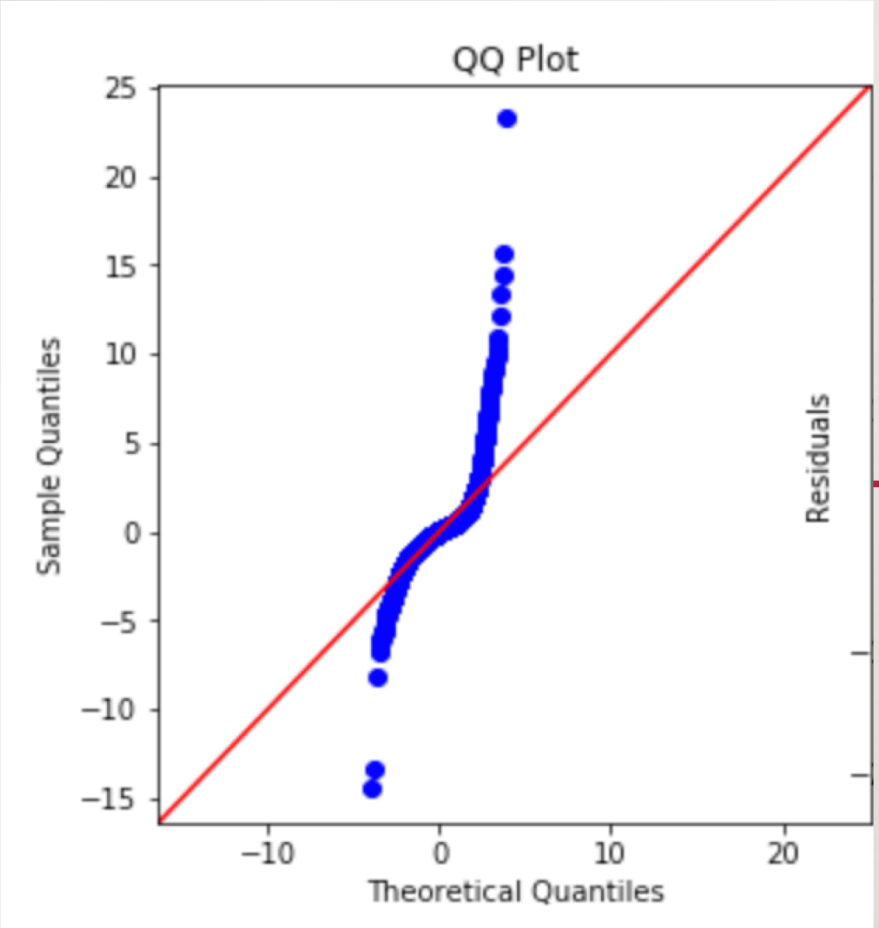
- Methodology
- Model Prediction
- Waterfront Premium
- How Renovations Impact Your Grades
- More Views, More Bids
- Review Recommendations
- What can I do next?

METHODOLOGY

- O.S.E.M.N Framework
  - Obtain
    - King County Housing Data
    - Roughly 21,500 Sale Records
  - Scrub
  - Explore
  - Model
  - iNterpret
- Linear Regression Model
- Price (dependent) vs. Weight (independent)

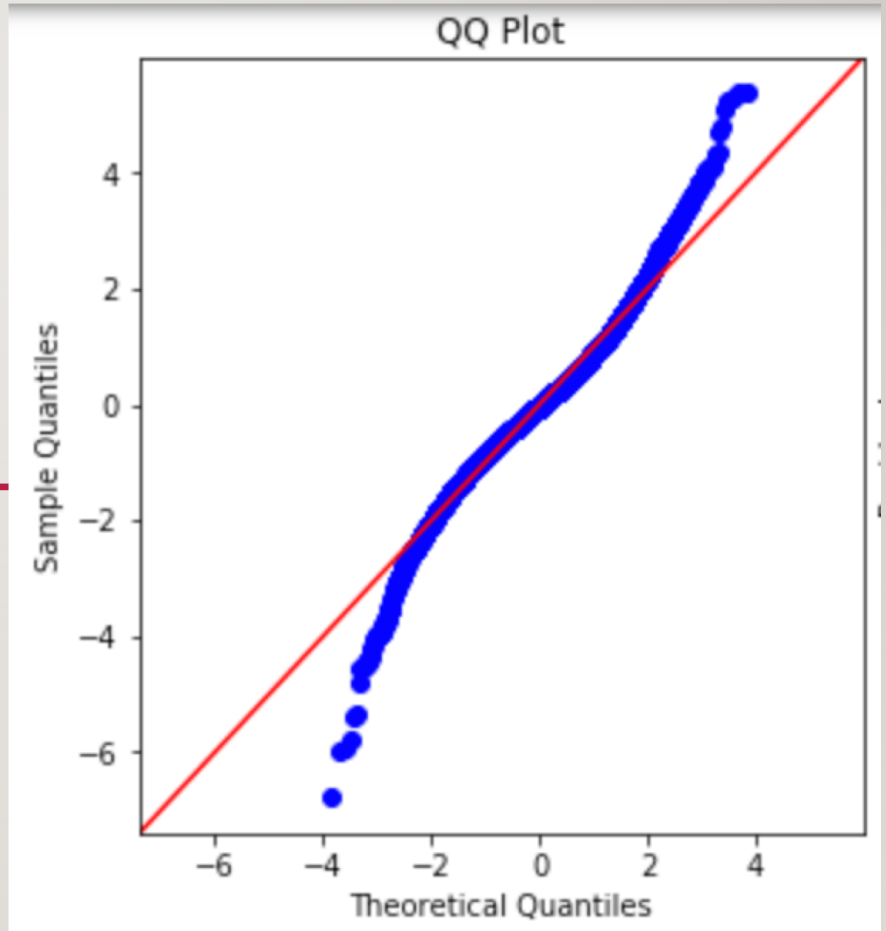


Model Prediction



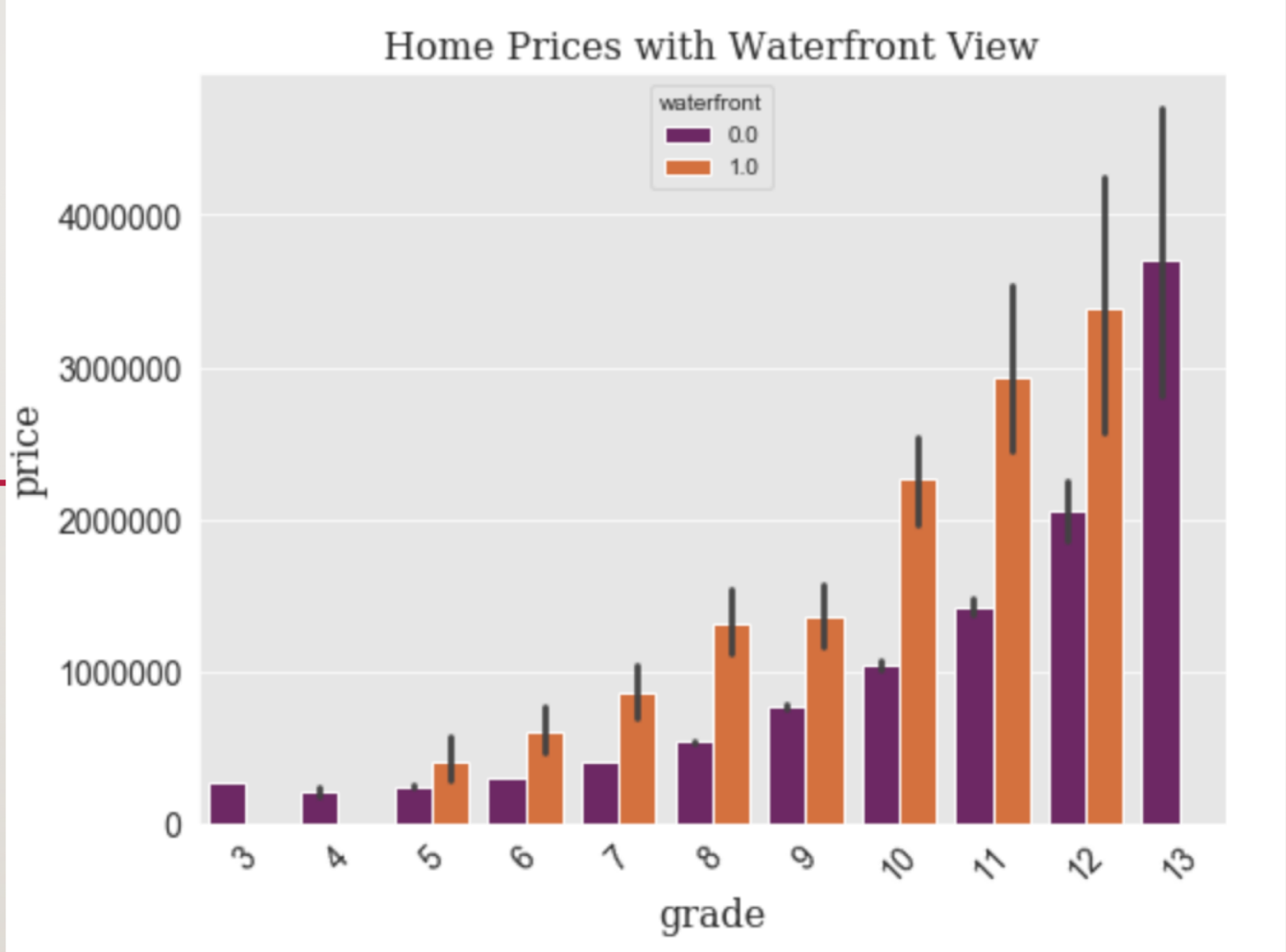
- R^2 = .81
- R^2 is a goodness of fit the line fits through the observed data

- 81% of the variations in home prices can be explain by the predictors

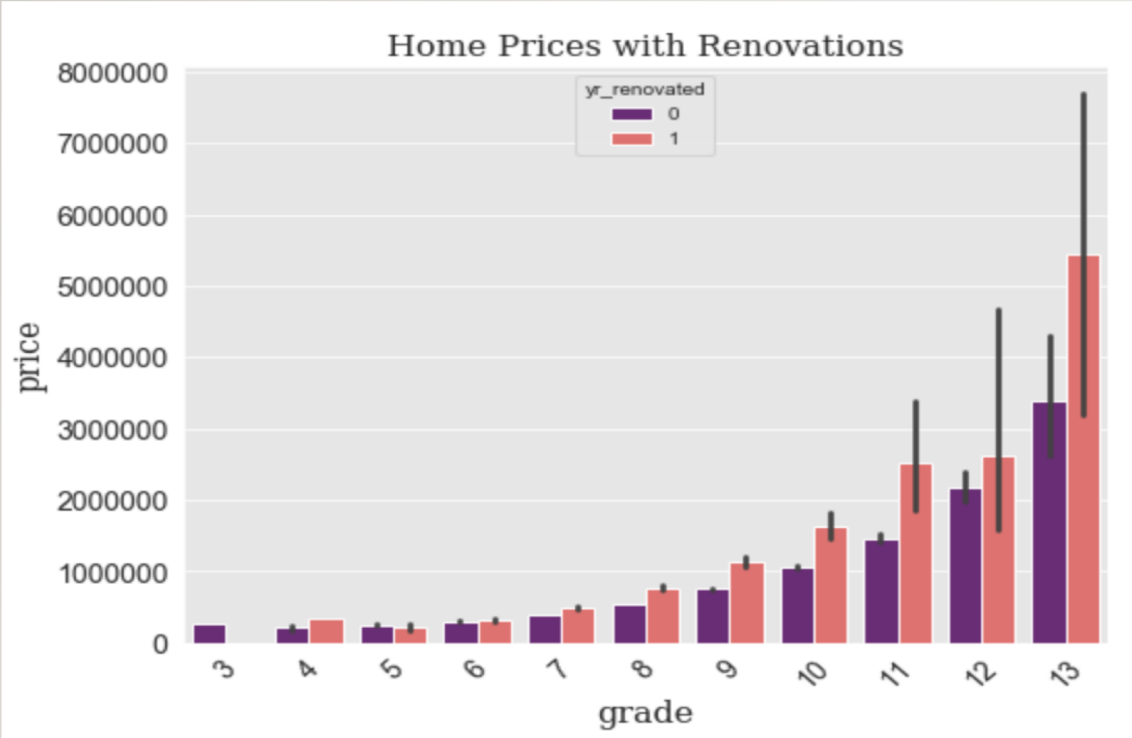


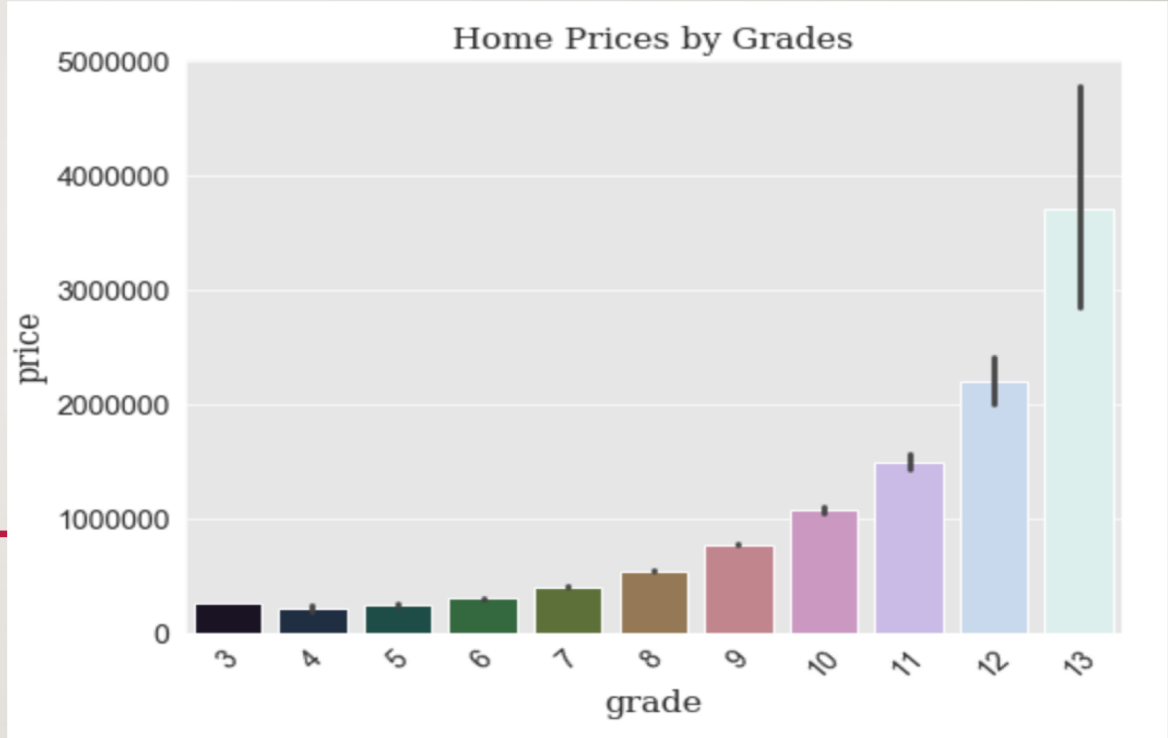
WATERFRONT PREMIUM

- Waterfront Coefficient = .6069
- Sell a home with a waterfront view, you can see a 61% increase of the sale price
- Recommendation: Sell if you have a waterfront view to benefit from the high premium



HOW RENOVATIONS IMPACT YOUR GRADE

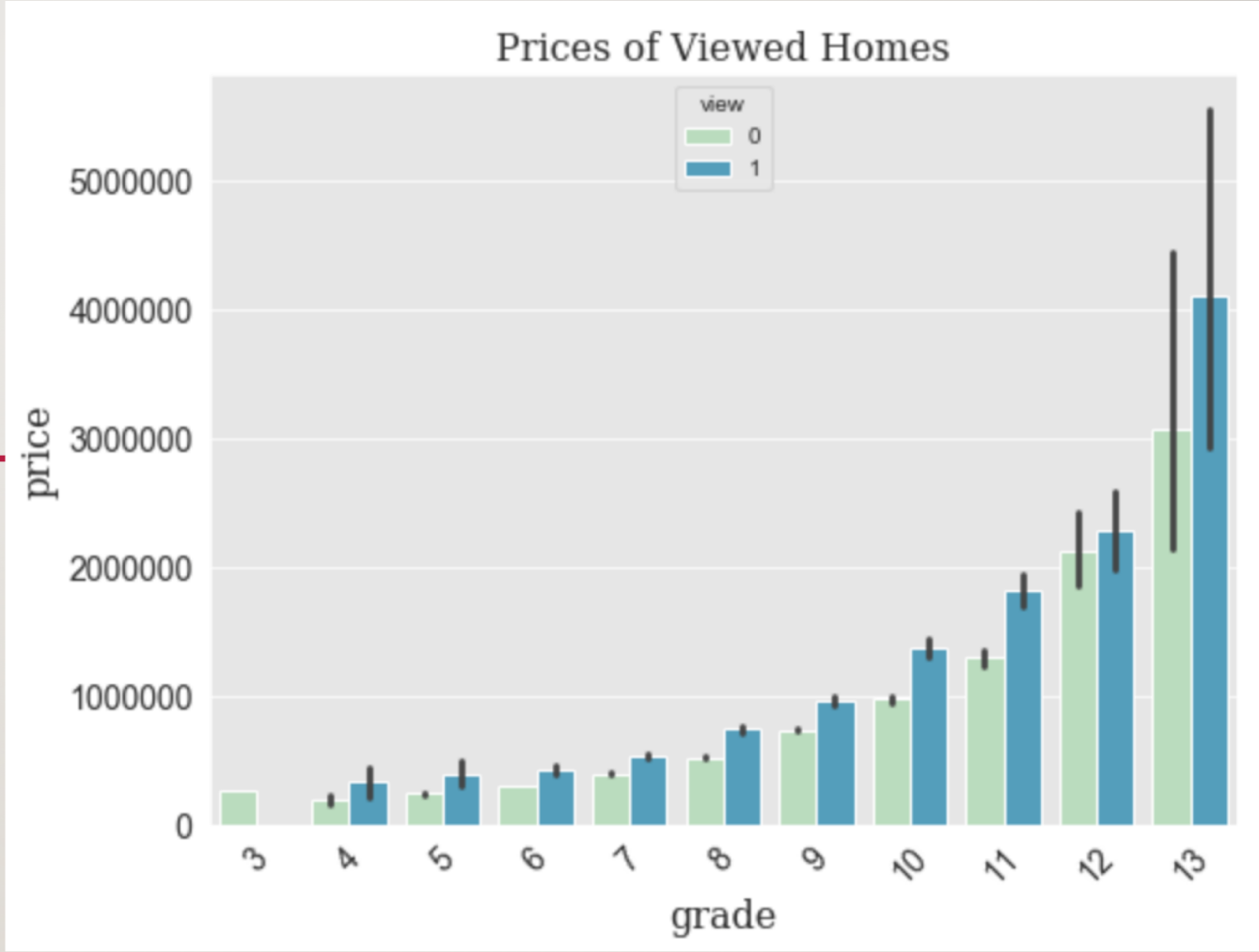




- Renovations coefficient = 12% increase
- Grades 11-13 coefficient = 41% - 80% increase
- Grades 4-6 coefficient = 42% - 14% decrease
- Recommendation: Renovate your home with high quality materials and workmanship to receive a better grade

MORE VIEWS, MORE BIDS

- View coefficient = 19%
- Recommendations:
  - Invest in marketing
  - Professional Photography
  - Professional Videography
  - Experience Agent



REVIEW RECOMMENDATIONS

- Waterfront house can increase sale price by almost 61%
- Renovations alone can increase sale price by 12%
- Grade 11-13 can increase sale anywhere from 41-80%
  - Invest in high quality materials and workmanship
- Views alone can generate 19% sale increase
  - Invest in Marketing
  - More views, more bids

WHAT CAN I DO NEXT?

- Investigate and create separate models per neighborhood
- Investigate square footage of a home compared to it's value
- Analyze crime rate and school systems and include that within the model to determine housing price
- Market analysis on the best time of year to sell

THANK YOU!!!