SELL YOUR HOME FOR A KING'S RANSOM

A STRATEGIC APPROACH TO SELLING YOUR HOME IN KING COUNTY

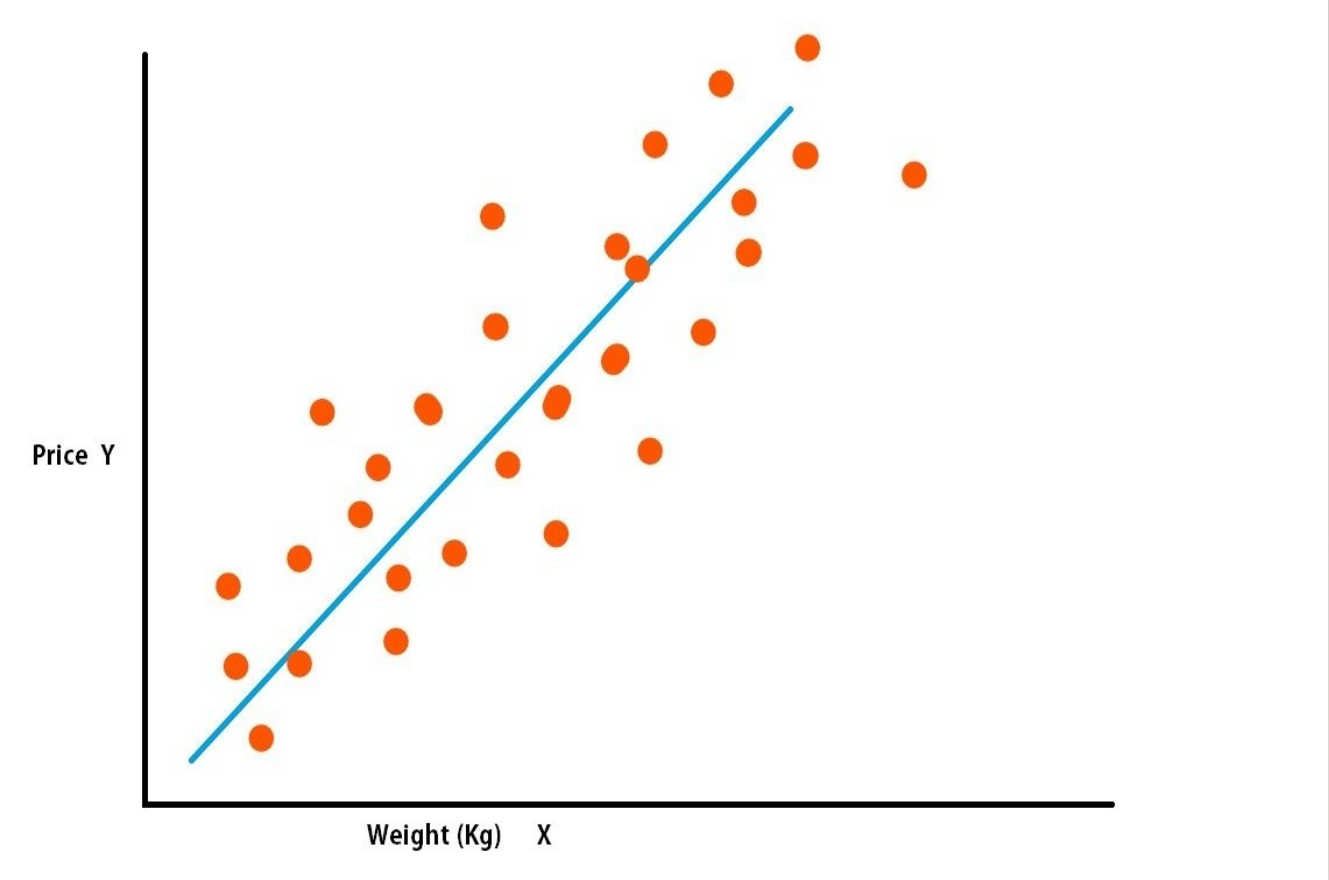
MODULE 2 PROJECT BY HITEN PATEL

OBJECTIVES

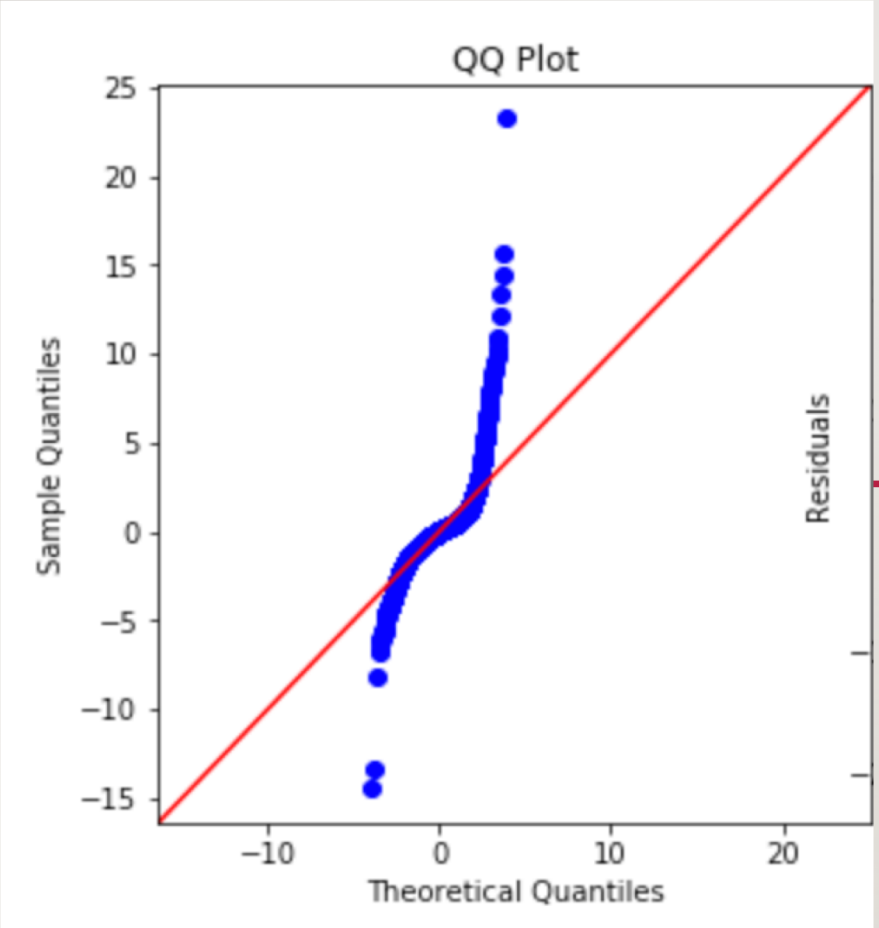
- Methodology
- Model Prediction
- How Renovations Impact Your Grades
- Waterfront Premium
- More Views = More Bids
- Review Recommendations
- Future Work

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)

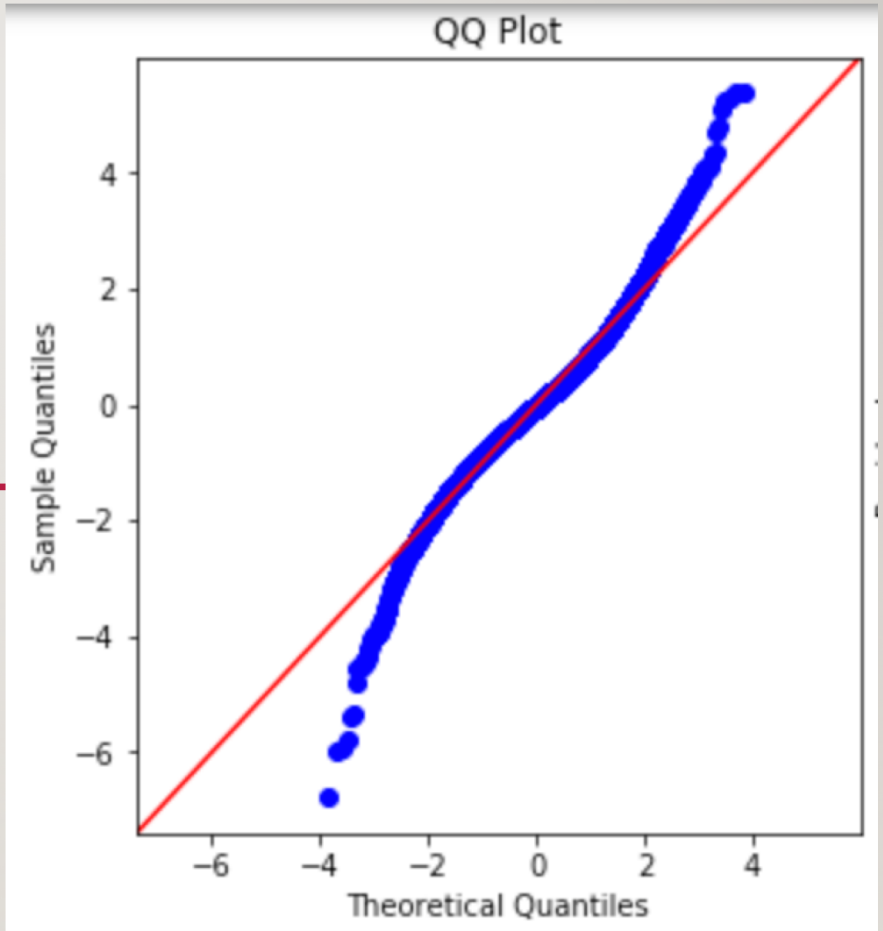


Model Prediction

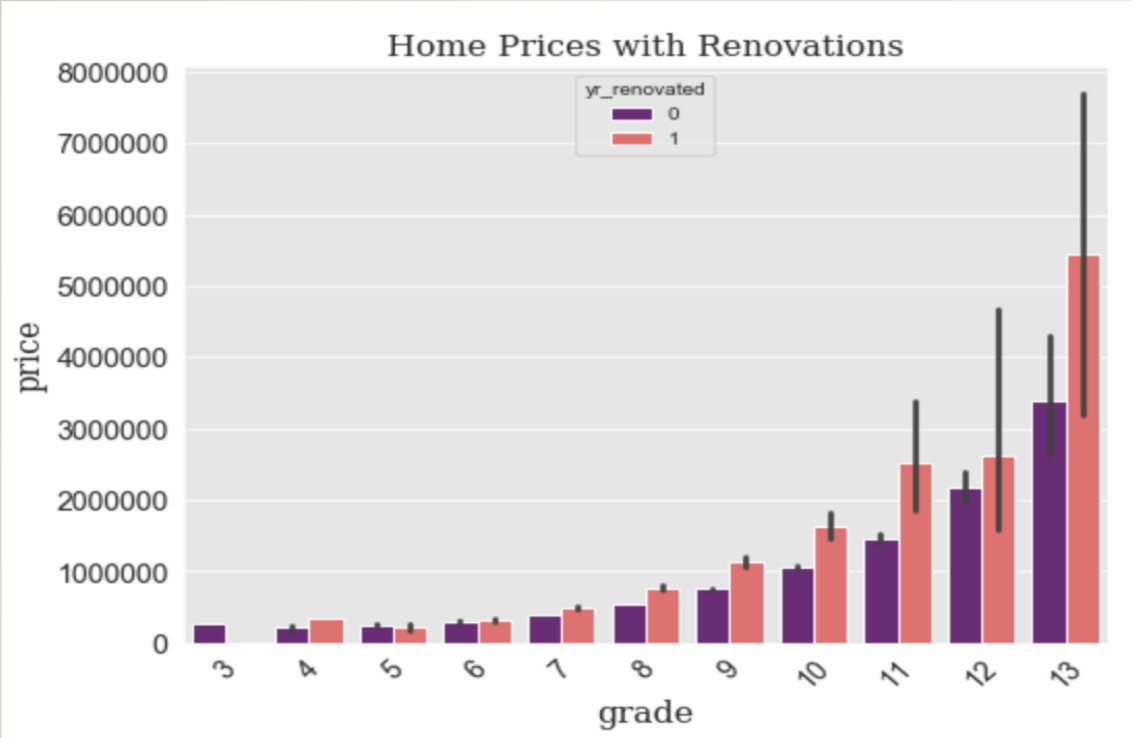


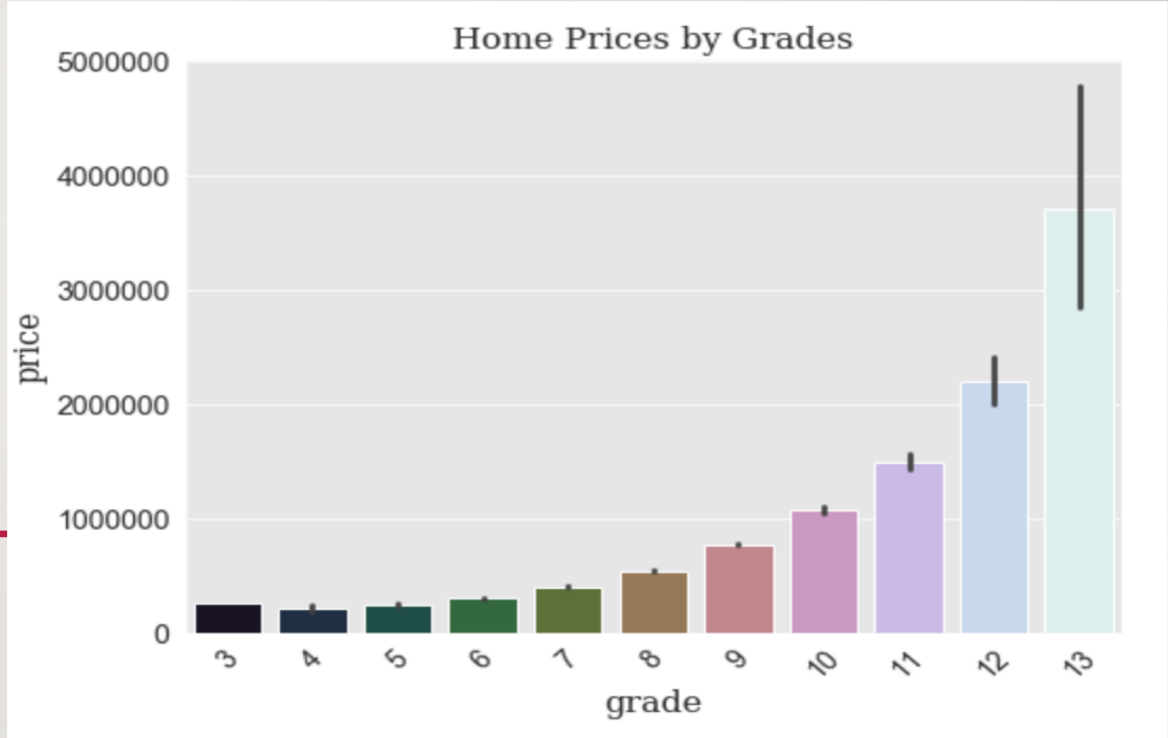
- R^2 = .81
- R^2 is a goodness of fit the line fits through the observed data

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



HOW RENOVATIONS IMPACT YOUR GRADE

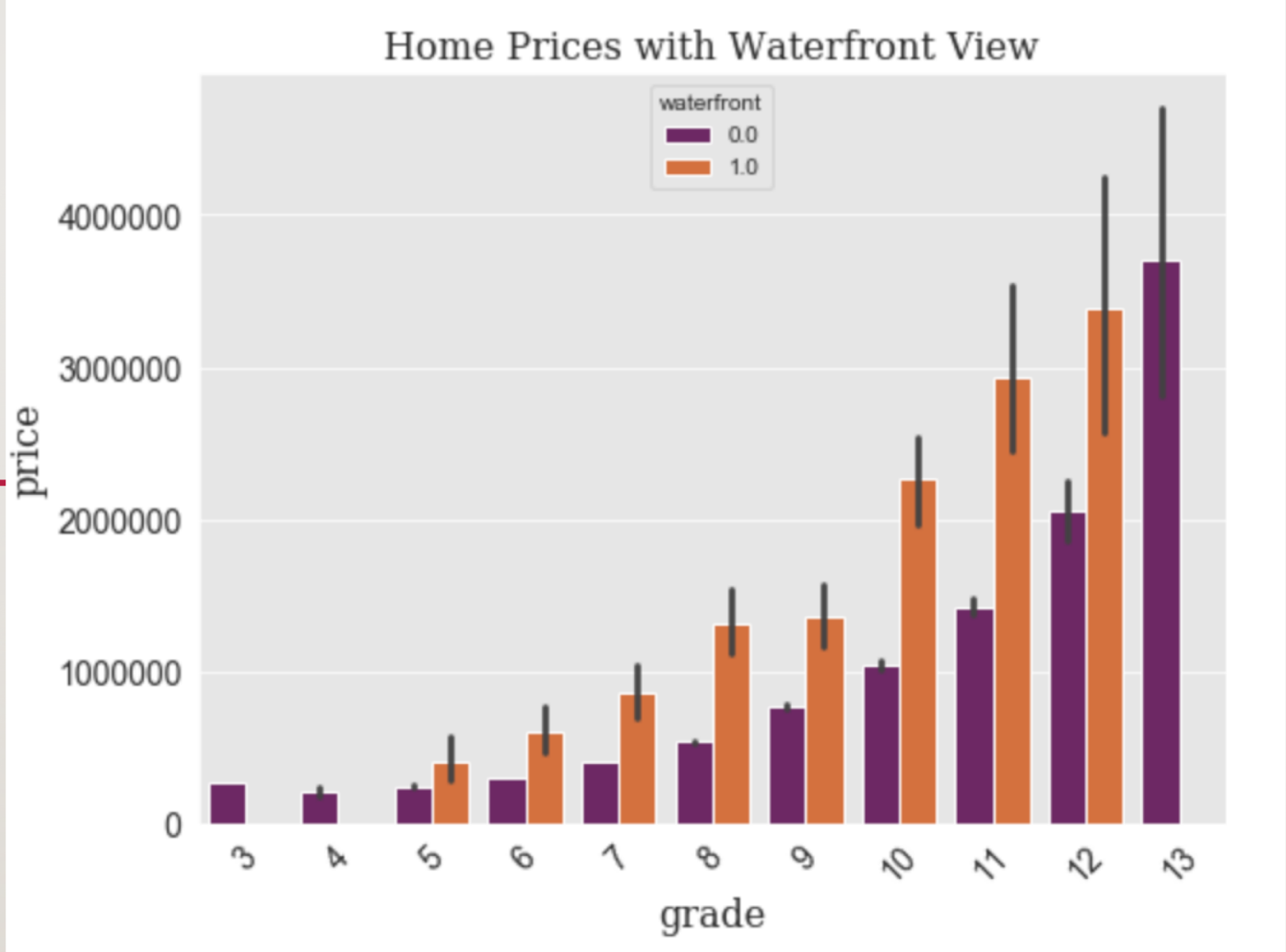




- Renovations coefficient = 12% increase in sale price
- Grades 11-13 coefficient = 41% - 80% increase in sale price
- Grades 4-6 coefficient = 42% - 14% decrease in sale price
- Recommendation: Renovate your home with high quality materials and workmanship to receive a better grade

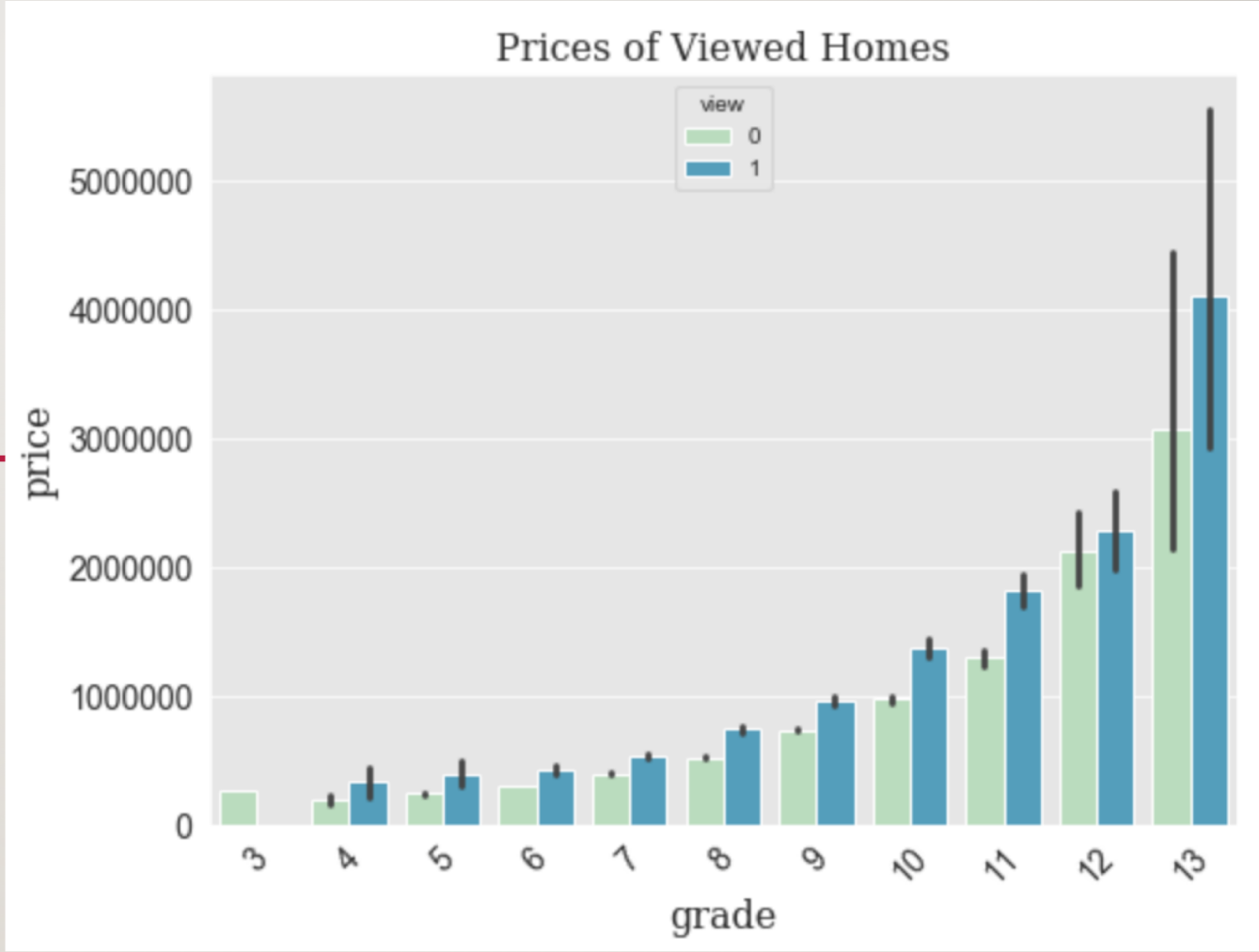
WATERFRONT PREMIUM

- 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



MORE VIEWS = MORE BIDS

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



REVIEW RECOMMENDATIONS

- Waterfront Houses
- Renovations
- Grade 11-13
- High Quality Materials
- Workmanship
- Views

FUTURE WORK

- Create Models per Neighborhood
- Home Square Footage
- Crime Rate
- School Systems
- Market Analysis

THANK YOU!!!