# Predicting House Prices

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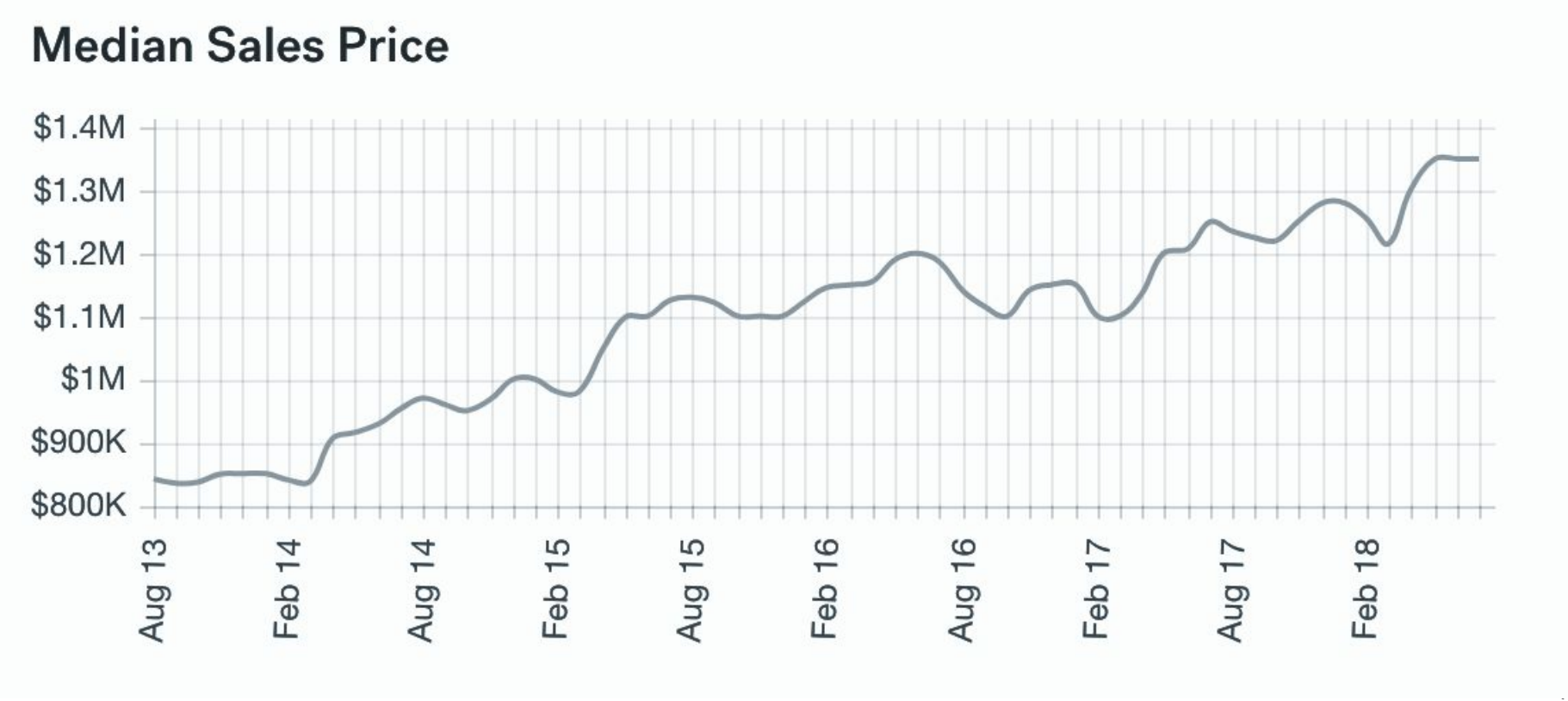
July 20th, 2018

How much to spend on a house?

How much is my house worth?

# Real Estate Market Trend in San Francisco

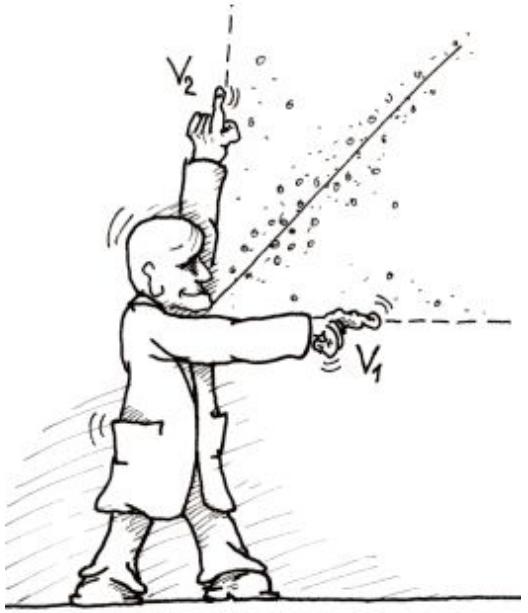





Source: https://www.trulia.com/real_estate/San_Francisco-California/market-trends/

# Approach

Zillow + REDFIN




Sold in 2018

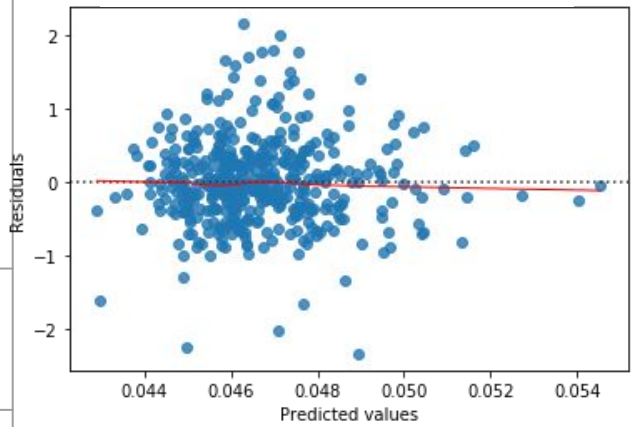
Located in San Francisco

# Features

- Type
- Number of Bedrooms
- Number of Bathrooms
- Parking Space
- Sqft
- Cooling
- Heating
- HOA
- Year Built
- Zip Code

# Model Performance

| | Adjusted R Squared (Goodness of Fit) | RMSE |
|---|---|---|
| **Model 1** | 0.743 | $ 629,856.27 |
| **Model 2** | 0.722 | $ 1,956,088.74 |




**Residual Plot for Model 1**

SFARMLS

## My Estimation

**$2M - $2.5M**

vs

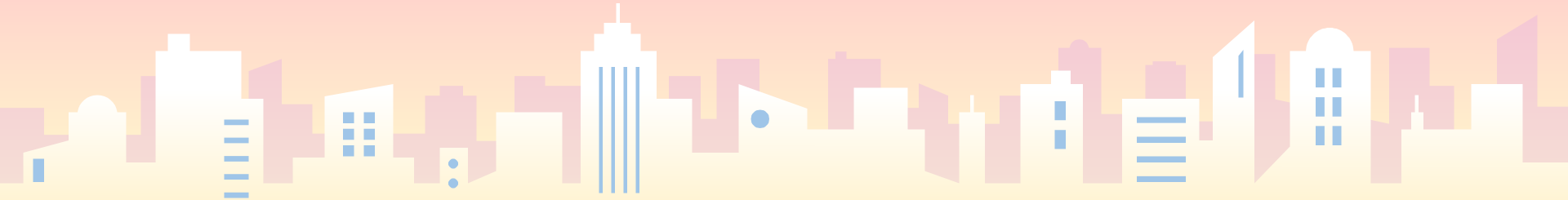
## Zestimate

**$ 2.1M**

## Sold Price

**$ 1,750,000**

# Future Work

- More features
  - Demand and Supply
  - Interest Rate of That Year
  - Demographic Data
- Interpretation of the Coefficient of the features
- Ease of use

# Thank You!