DSI 9/11: Project 2

John Gilheany
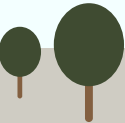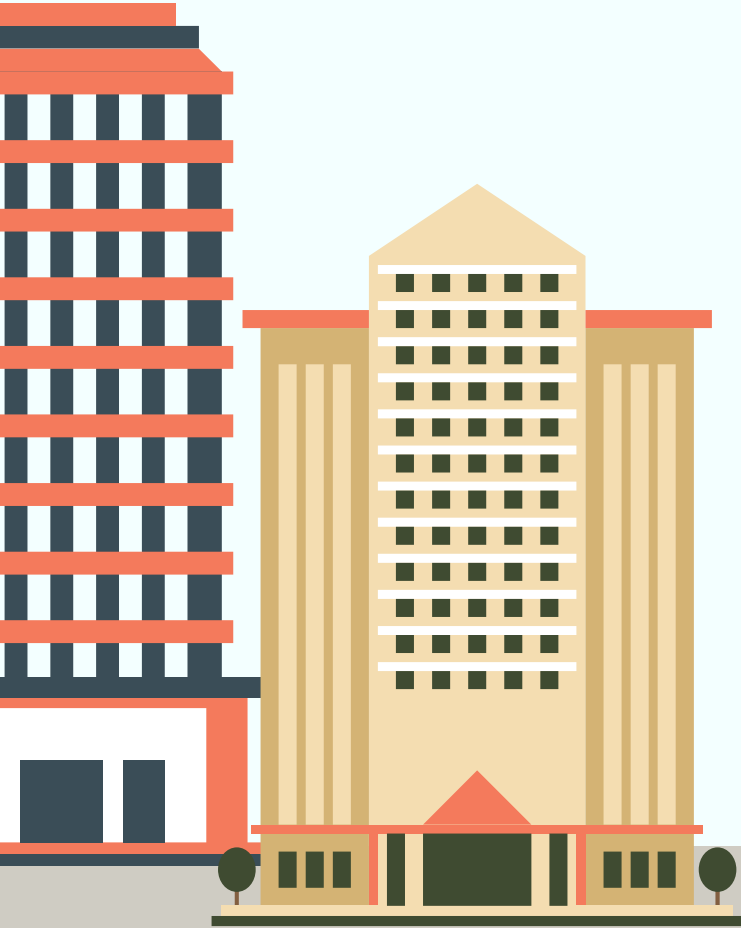
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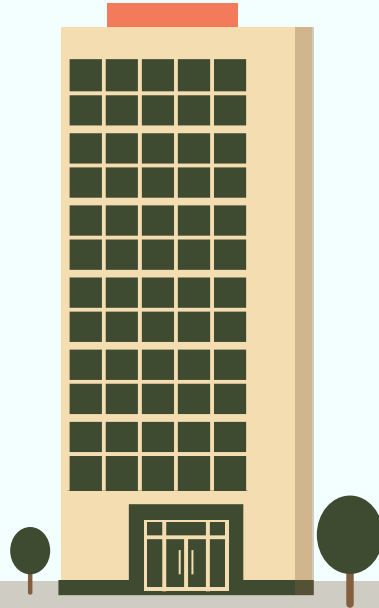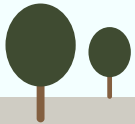# Problem Statement
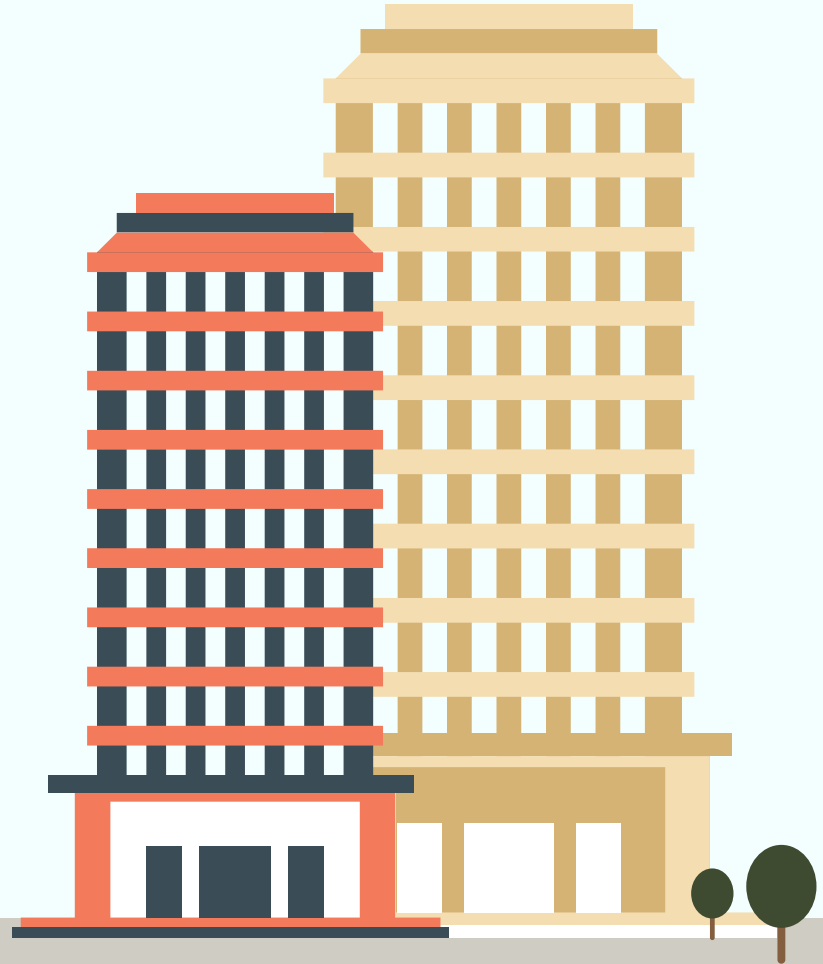
Problem Statement

- Our firm, General Assembly Advisors (GAA), has been hired by Iowa Landmark Realty (ILR), a real estate development firm looking to expand into Ames.

- ILR is particularly focused on deciding which neighborhood it should expand into, and has asked us for competitive analysis.

- The CEO is leaning towards building a new development in Bloomington Heights, and would like to see the final recommendation in relation to that neighborhood.
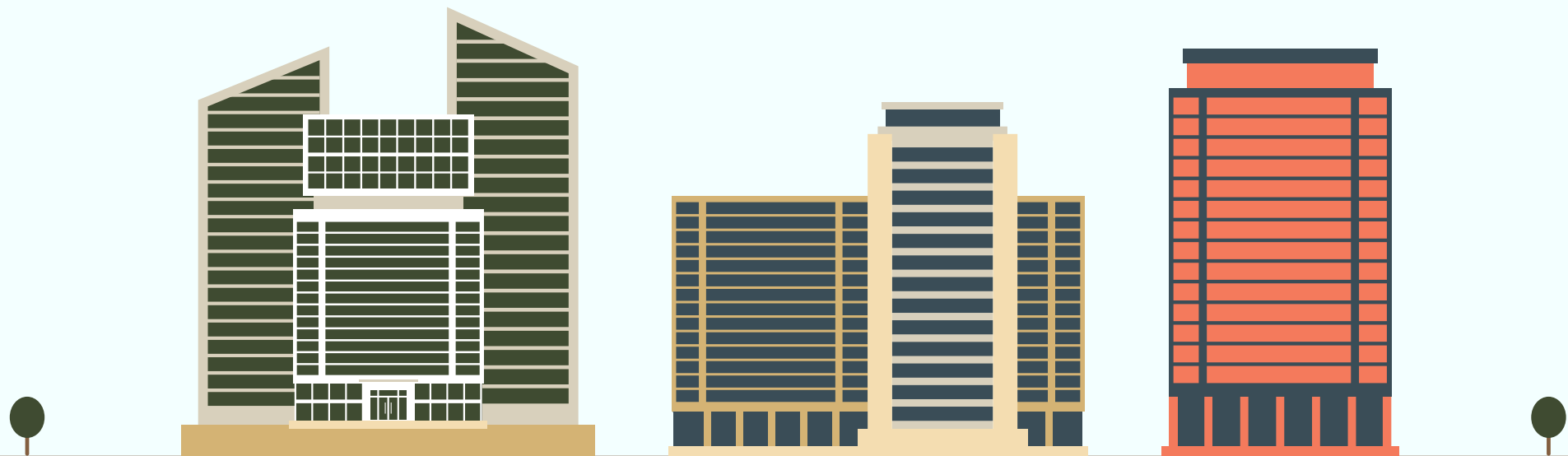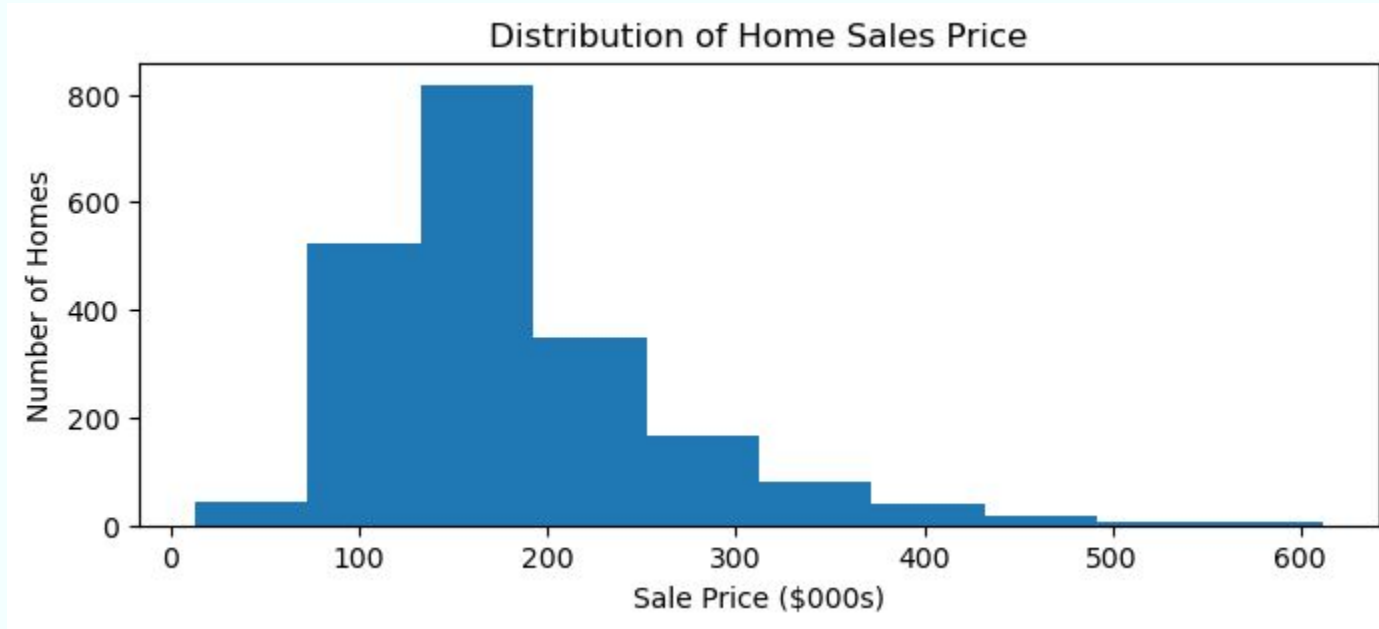
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Data Overview
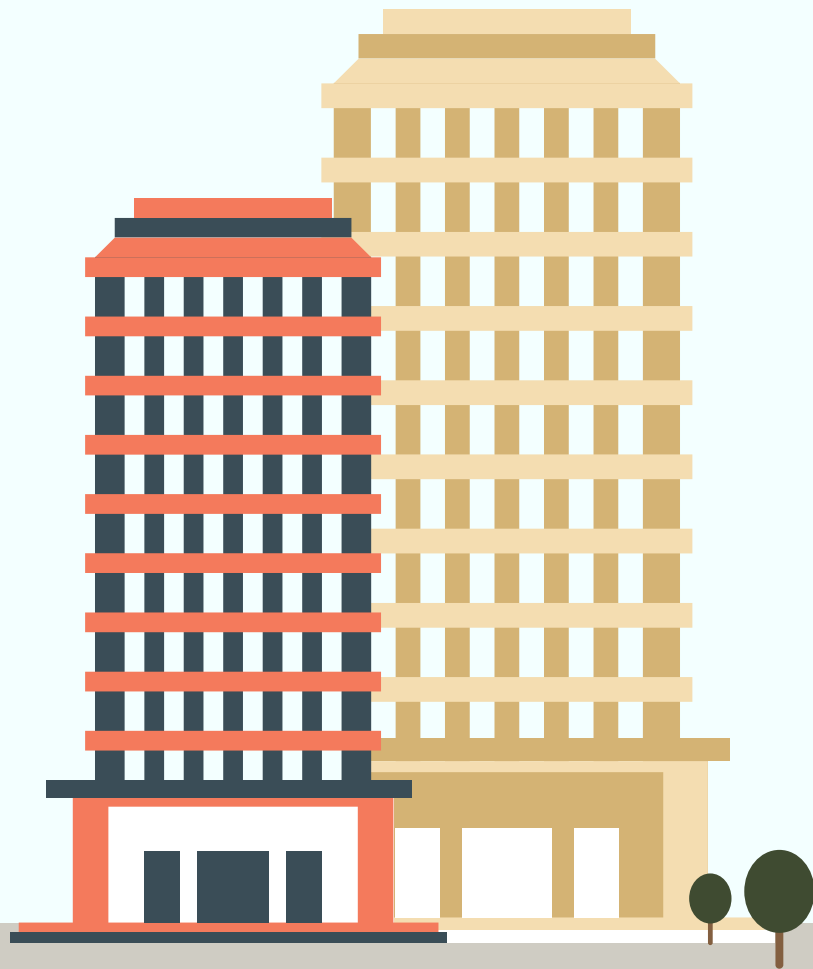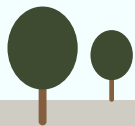
Dataset

- We analyzed a data set of 2,000+ property selling prices in Ames between 2007-2010.

Distribution of Selling Price


Distribution of Home Sales Price

Neighborhood Breakdown

- Blmngtn Bloomington Heights
- Blueste Bluestem
- BrDale Briardale
- BrkSide Brookside
- ClearCr Clear Creek
- CollgCr College Creek
- Crawfor Crawford
- Edwards Edwards
- Gilbert Gilbert
- IDOTRR Iowa DOT and Rail Road
- MeadowV Meadow Village
- Mitchel Mitchell
- Names North Ames

- NoRidge Northridge
- NPkVill Northpark Villa
- NridgHt Northridge Heights
- NWAmes Northwest Ames
- OldTown Old Town
- SWISU South & West of Iowa State University
- Sawyer Sawyer
- SawyerW Sawyer West
- Somerst Somerset
- StoneBr Stone Brook
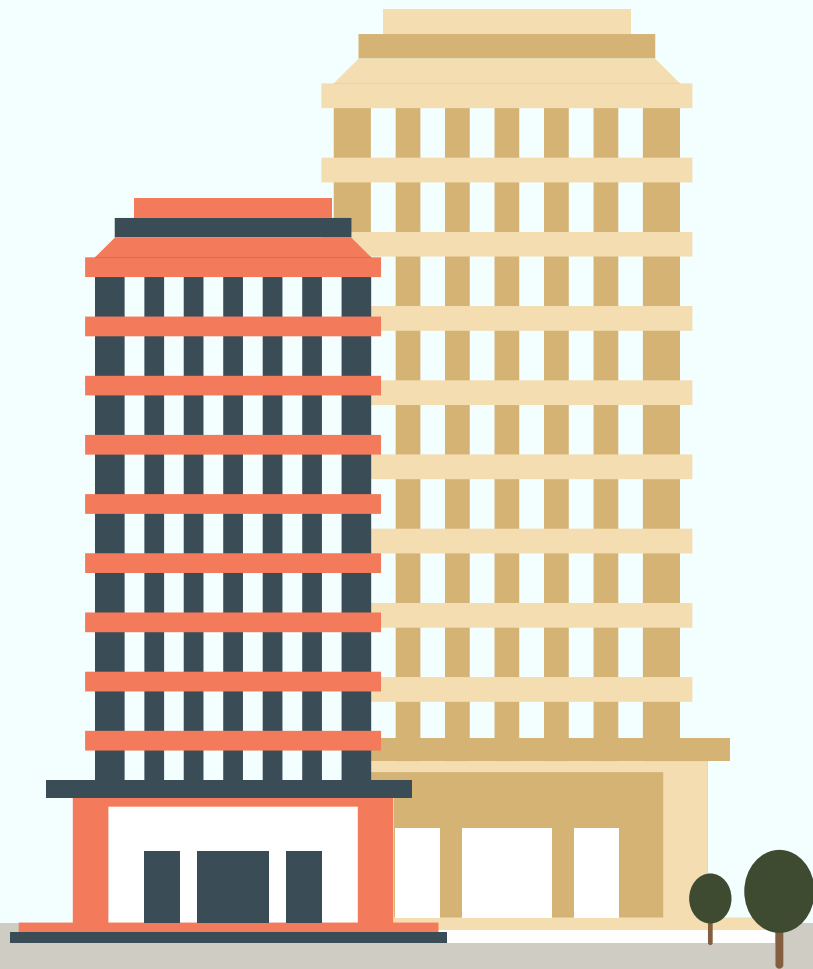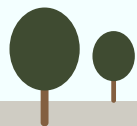- Timber Timberland
- Veenker Veenker
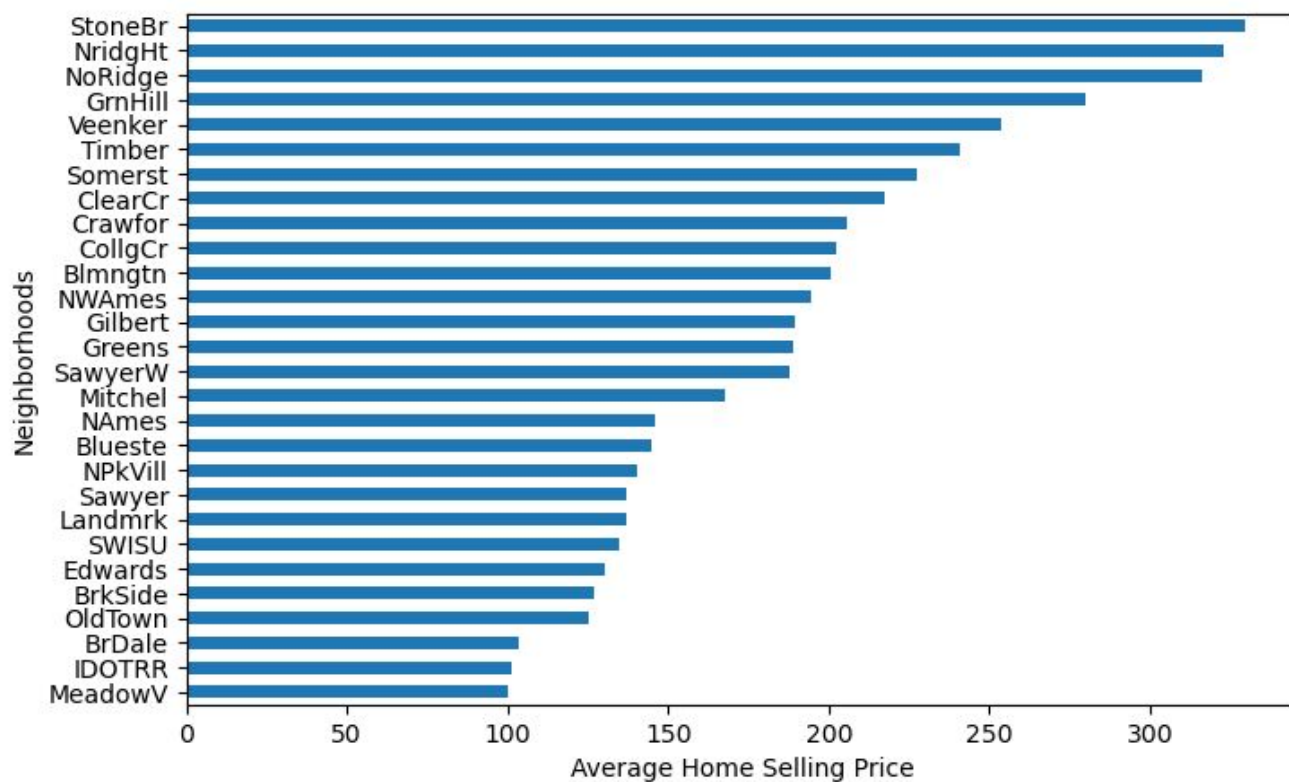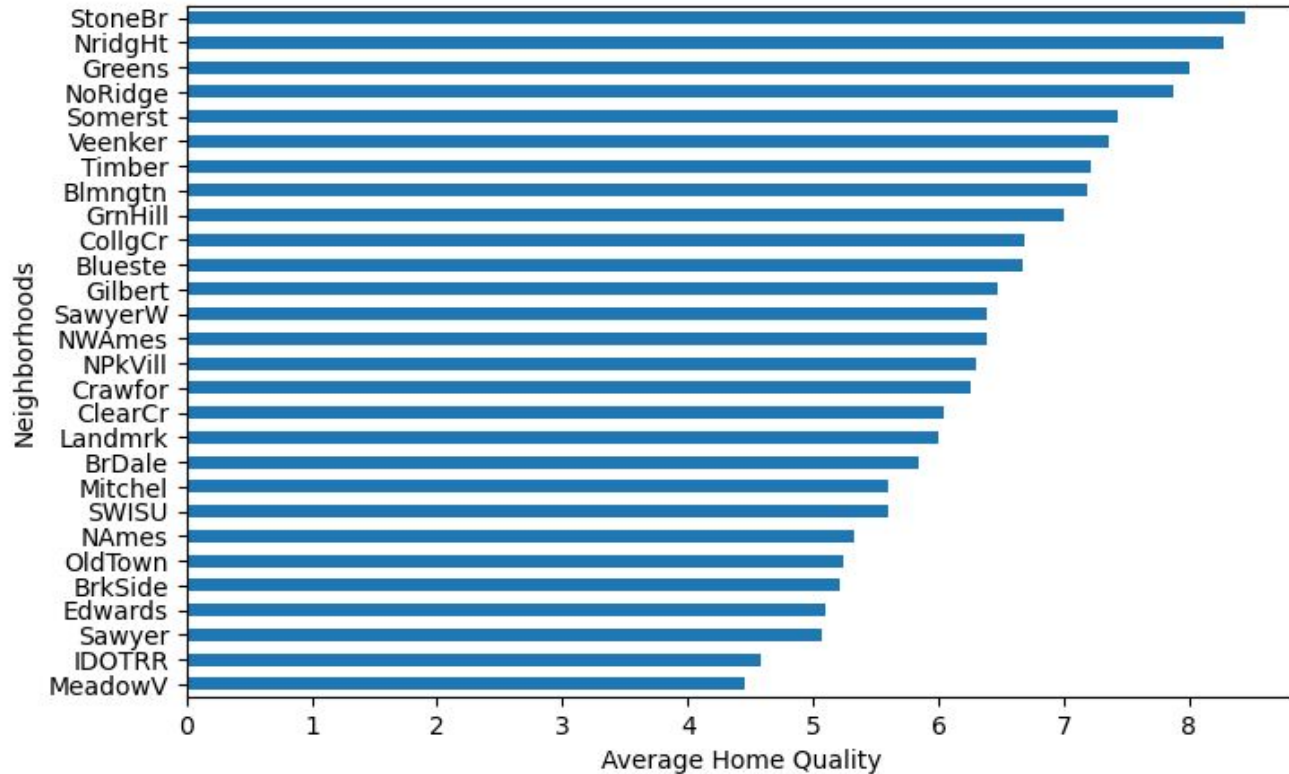
Distribution of Neighborhood
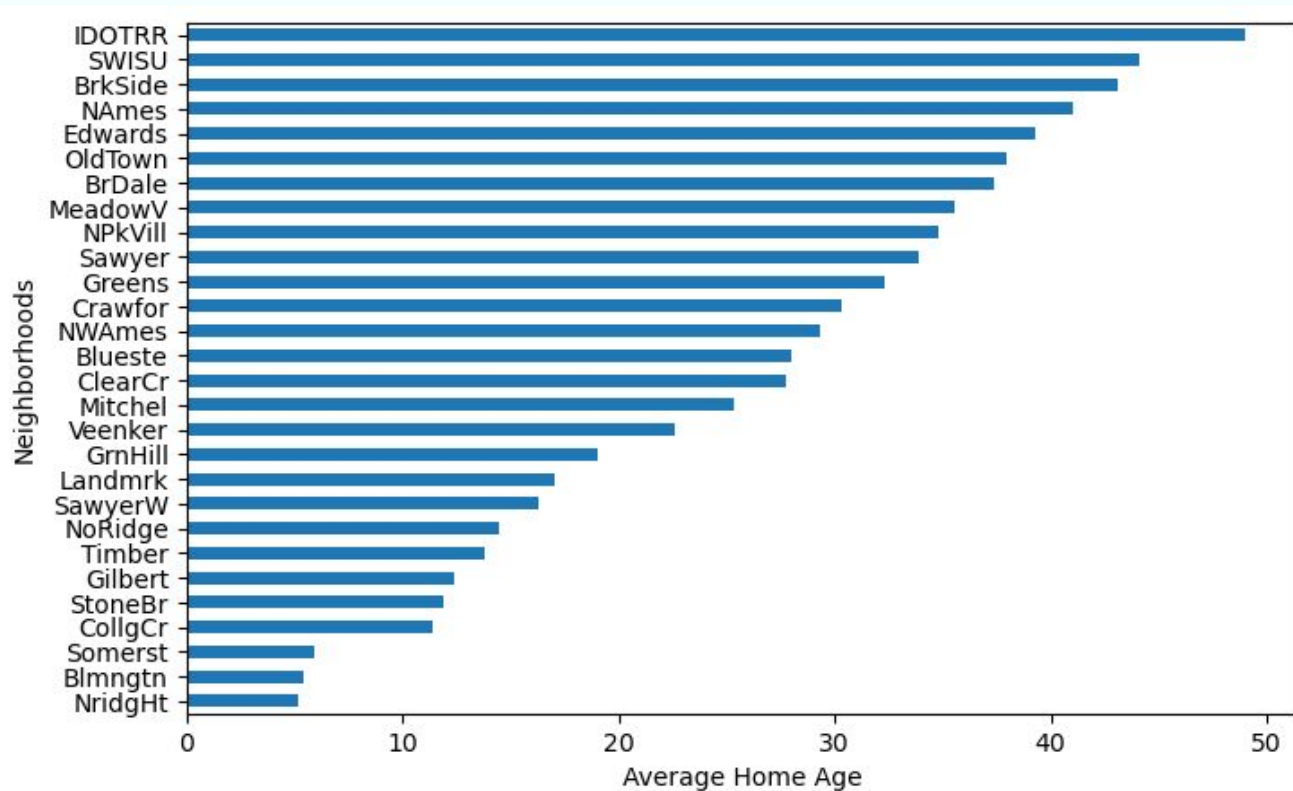

Neighborhoods Histogram
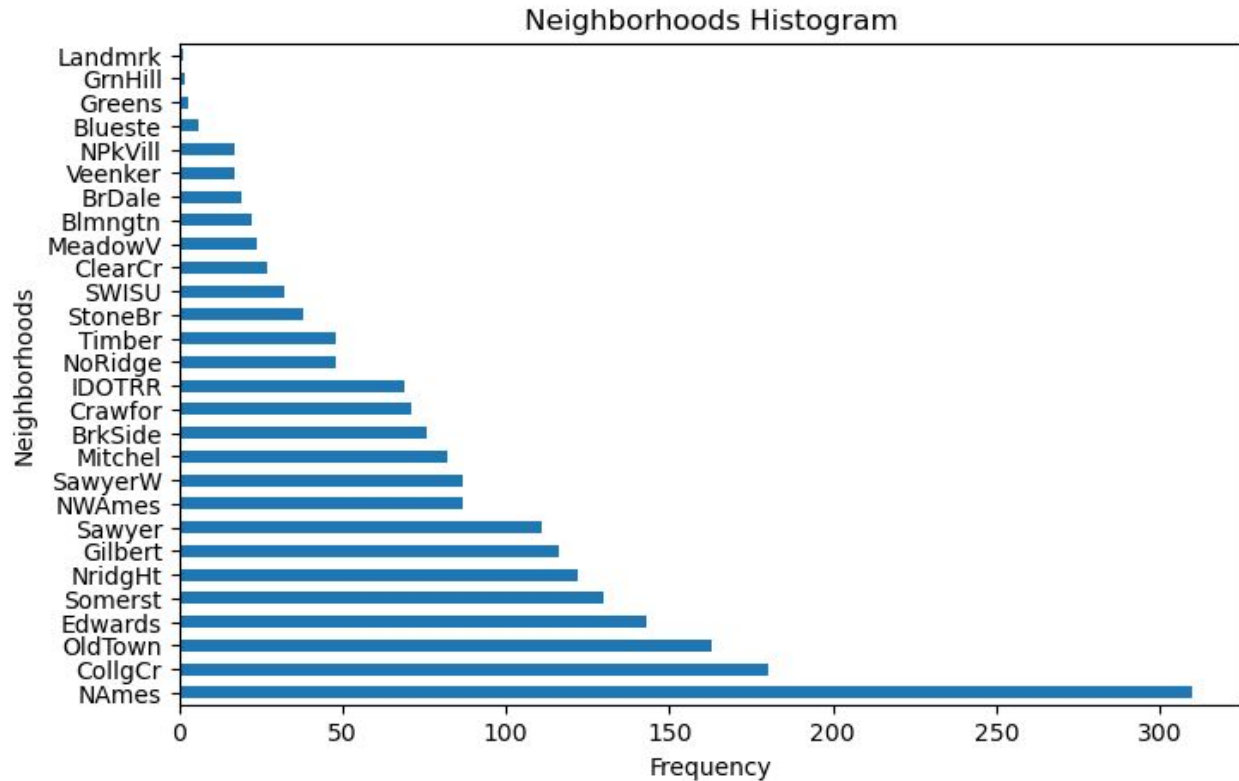
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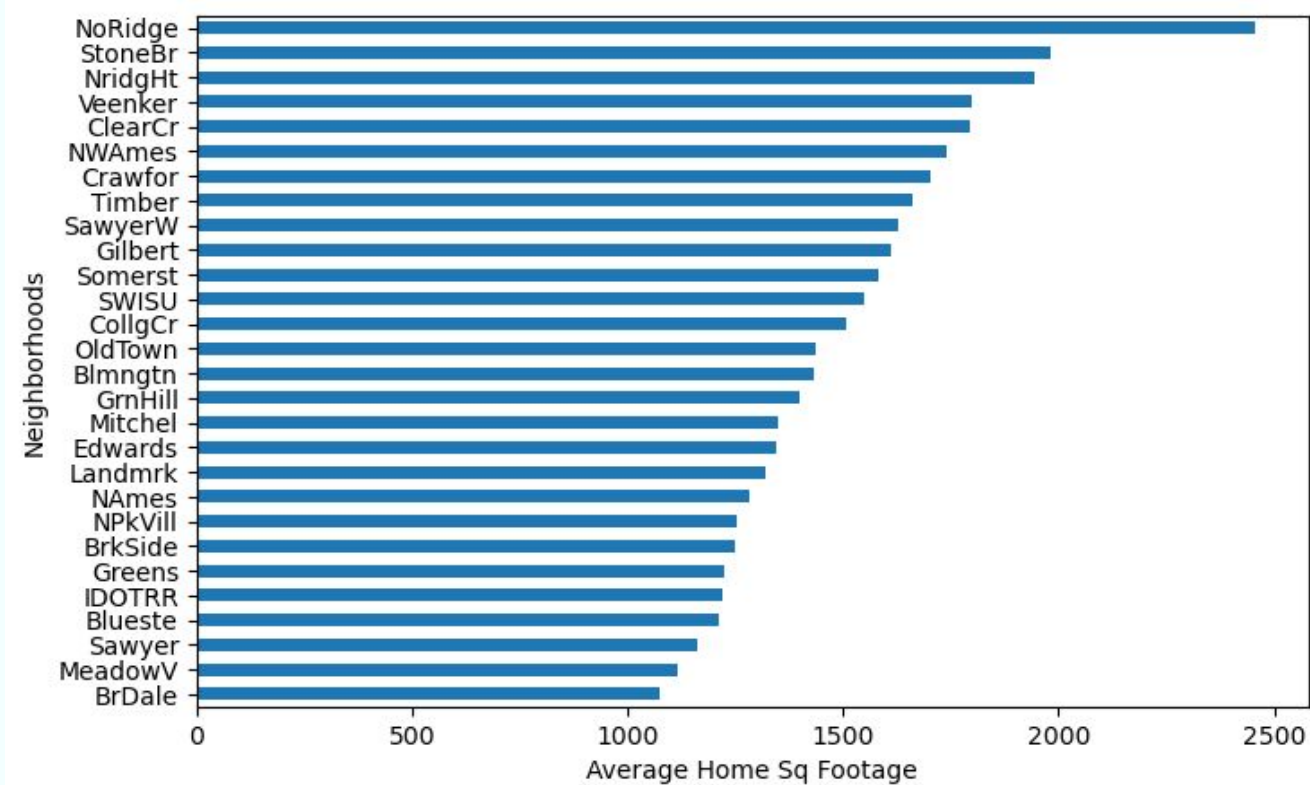## Key Findings

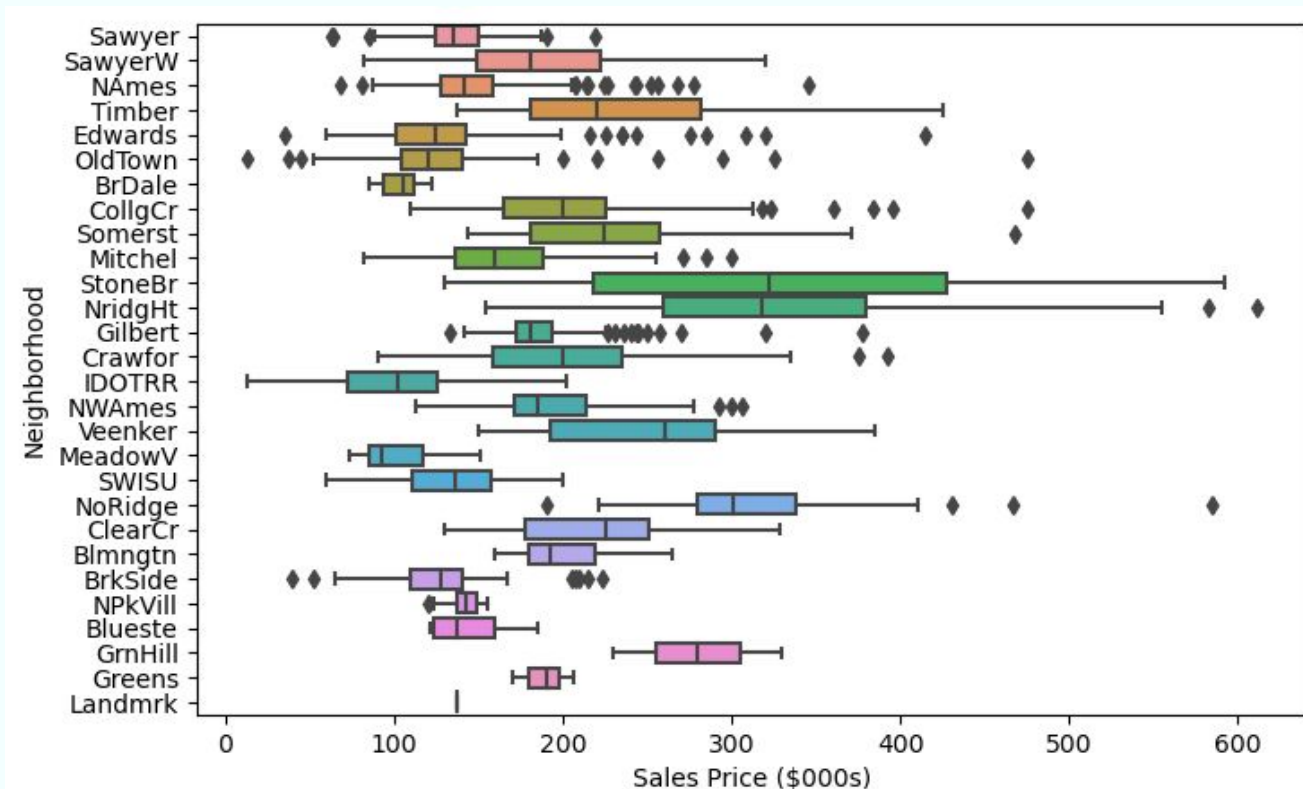# Avg Sales Price by Neighborhood

Avg Home Quality by Neighborhood

Avg Home Age by Neighborhood

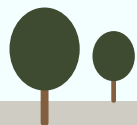# Avg Home Sq Ft by Neighborhood

Neighborhood & Sales Price Boxplot

04

Final Recommendation

Top 3 Attractive Neighborhoods

- Based on the findings of our proprietary regression model, we believe that the 3 neighborhoods you should consider for development are Green Hills, Northridge Heights and Stone Brook.

Neighborhood	Coef	Std Err	t	P>|t|	[0.025	0.975]
GrnHill	114,400	20,500	5.6	0.000	74,200	155,000
NridgHt	20,910	6,872	3.0	0.002	7,432	34,400
StoneBr	39,580	7,783	5.1	0.000	24,300	54,800

Thanks!

Any questions?