How to Predict the Future

With only moderate amounts of magic

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Agenda - Creating a model to predict sale price for homes in Ames, IA

- ❖ Define the problem
- ❖ Obtain the data
- ❖ Explore the data
- ❖ Model the data
- ❖ Evaluate the model
- ❖ Respond to the problem

Hi there.

I'm Kevin.

Define the Problem

Create a model predicting sales price of homes in Ames, IA.

❖ Are you going to sell your house and you want to know the right price to ask for?

❖ Are you looking to invest in a property and you need to know how to maximize your ROI?

❖ Whether you're buying or selling, it's important to know how to predict the price of a house based on the features
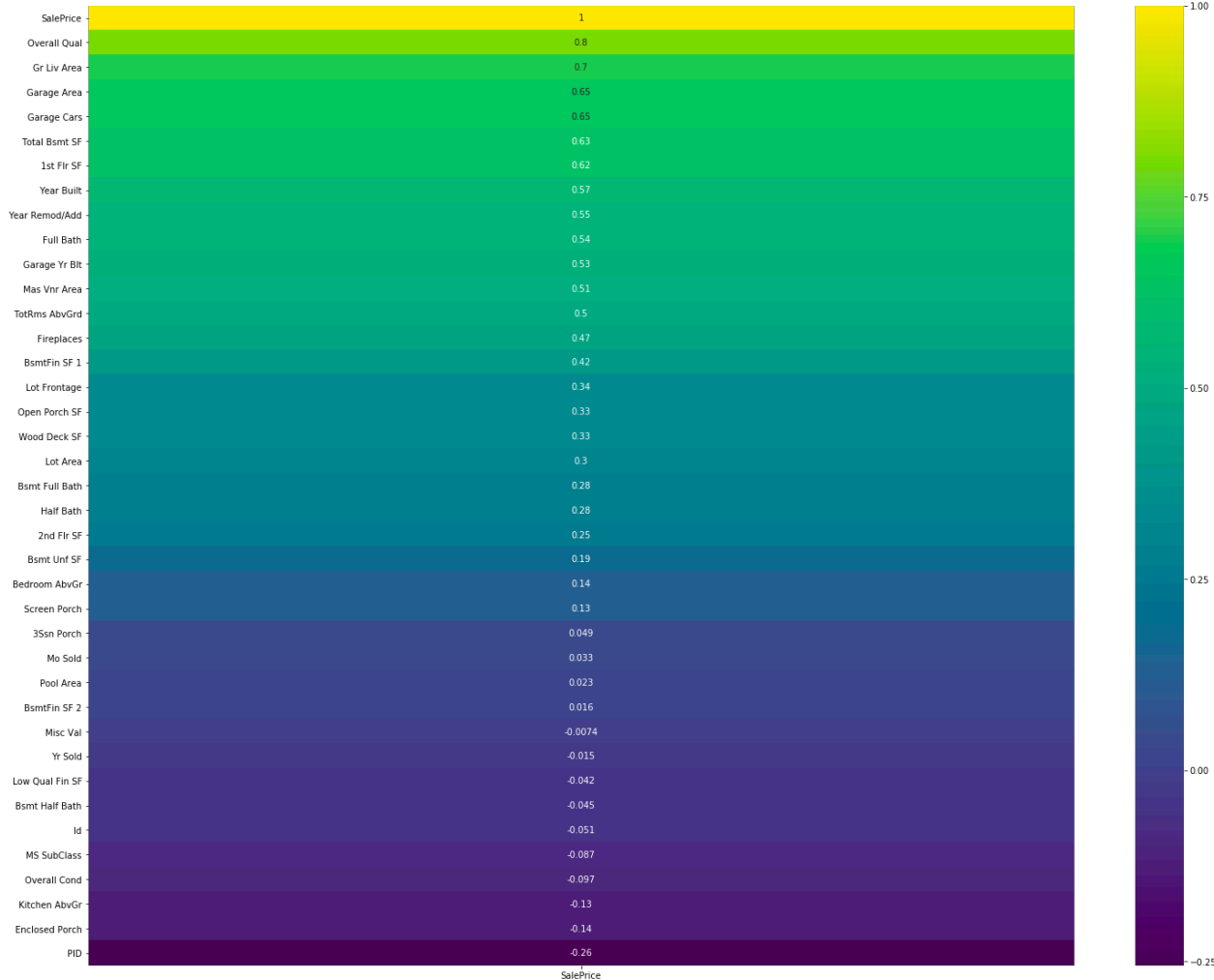
Obtain the Data

TRAIN is the data used to build the model. This data includes actual sales prices of homes in Ames, IA.
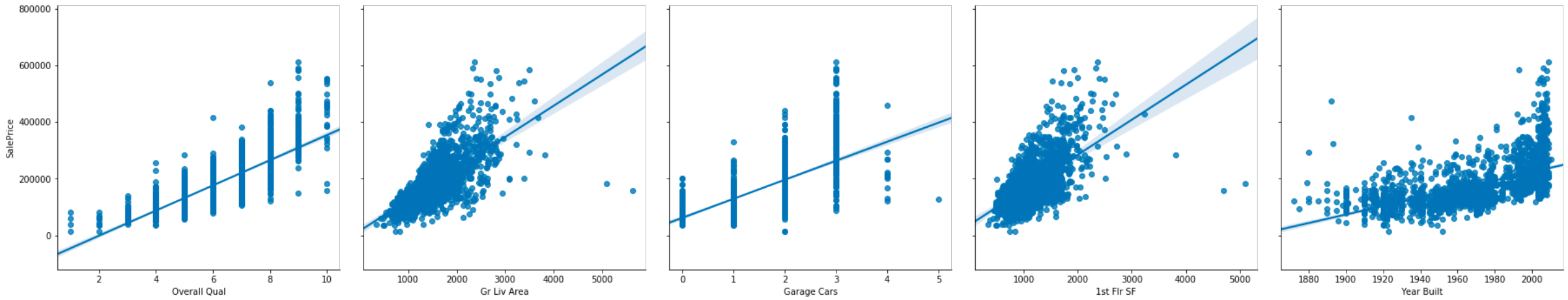
TEST is the data used to validate the model. This data is the structured the same as the Train but without the sale price we are attempting to predict.
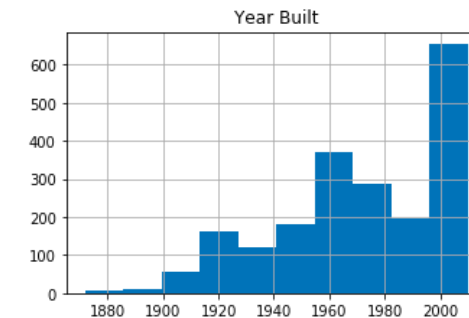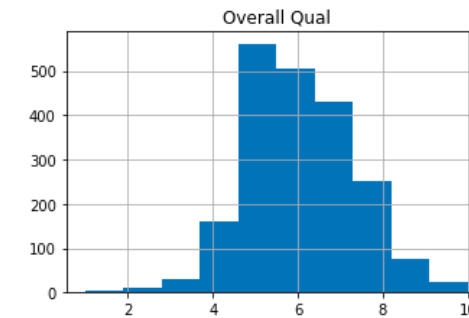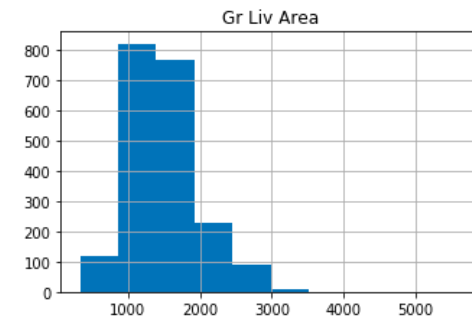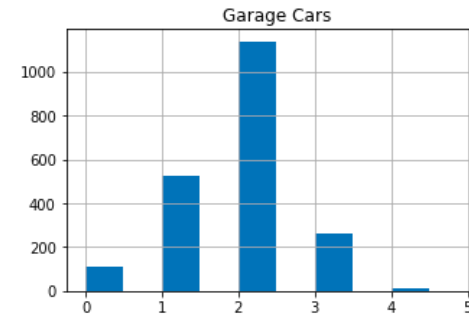
Explore the Data

1 — **Overall Quality of the Home**

2 — **Above Ground Living Space**

3 — **Size of Garage**

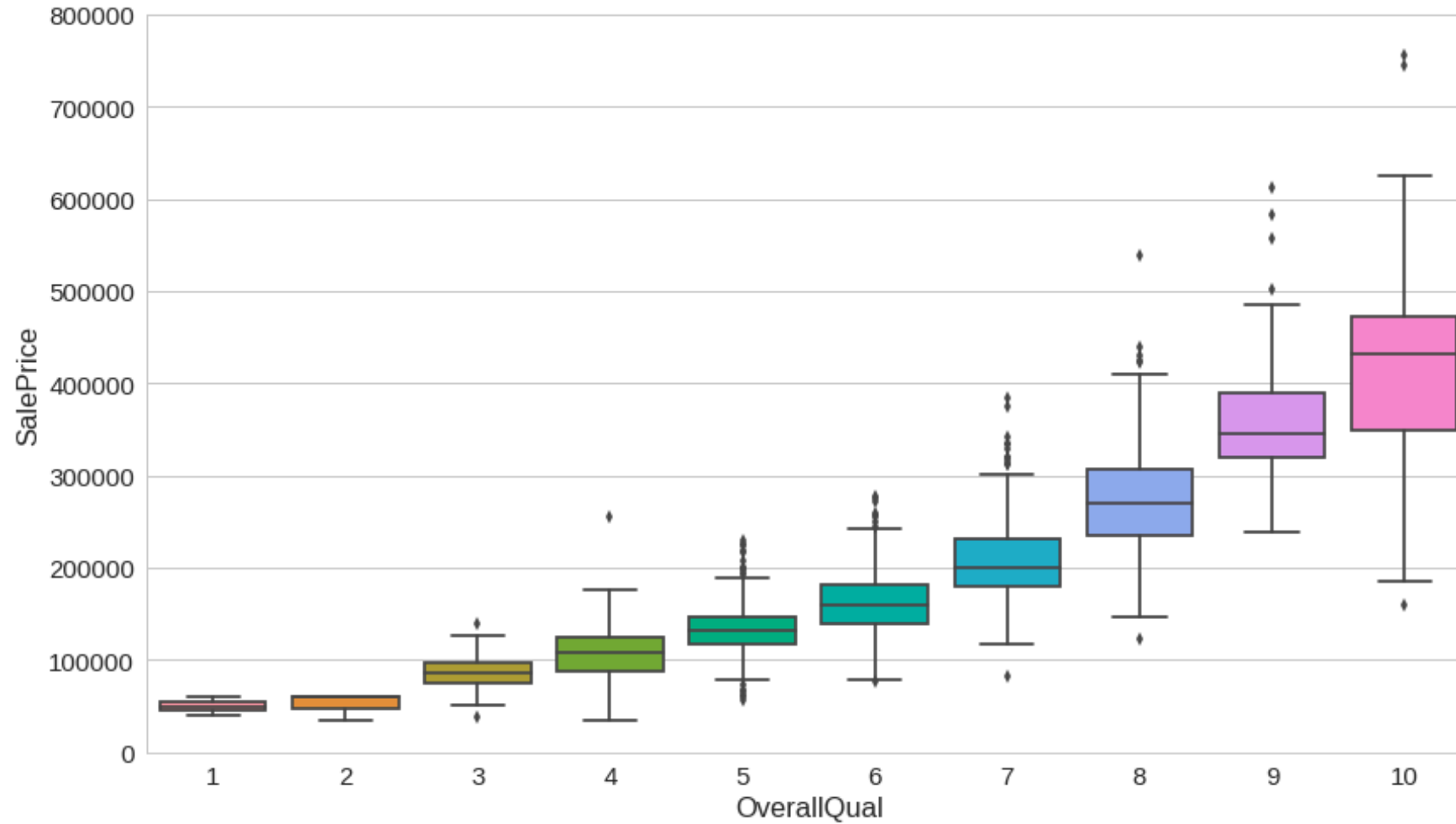4 — **Main Floor Square Footage**

5 — **Year Built**

Explore the Data

Explore the Data
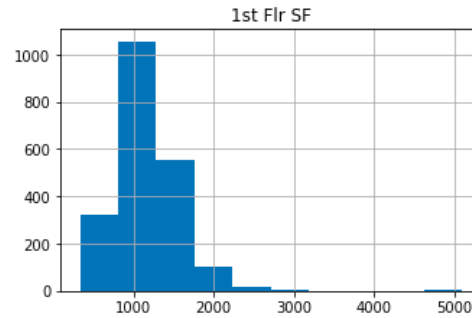
Explore the Data

Evaluate the Model

Our model came up with a score of 0.81.

- ❖ Strengths

- ❖ Weaknesses

- ❖ Gaps

- ❖ Other Considerations