



Selling Homes in Ames, Iowa

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June 28, 2019
GA DSI 8

Agenda

- Overview
- Observations
- Recommendations
- Conclusion



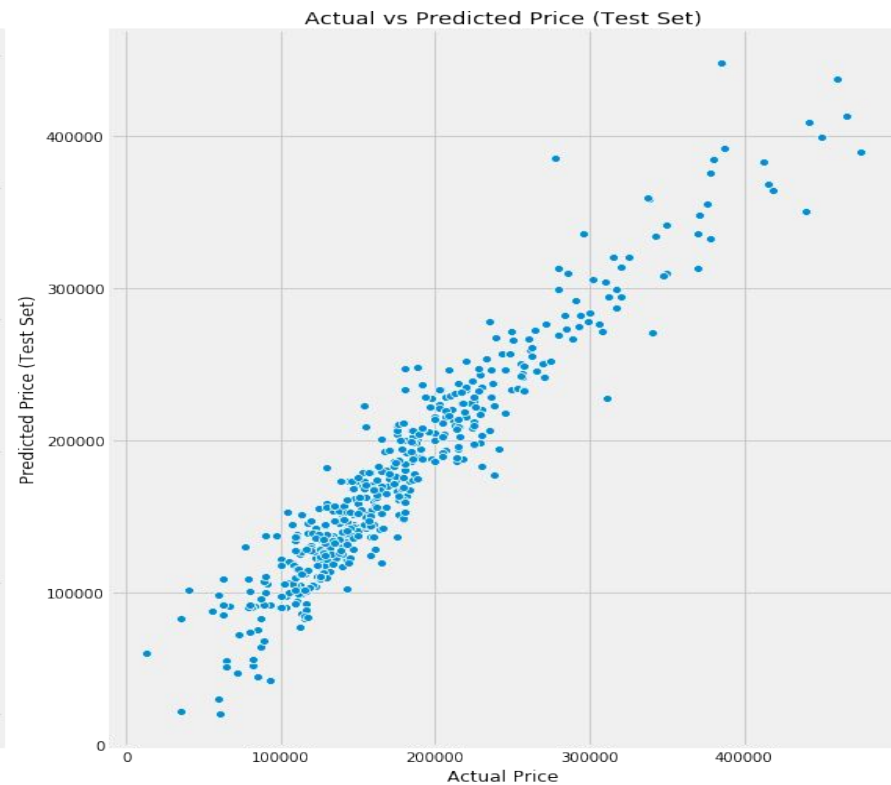
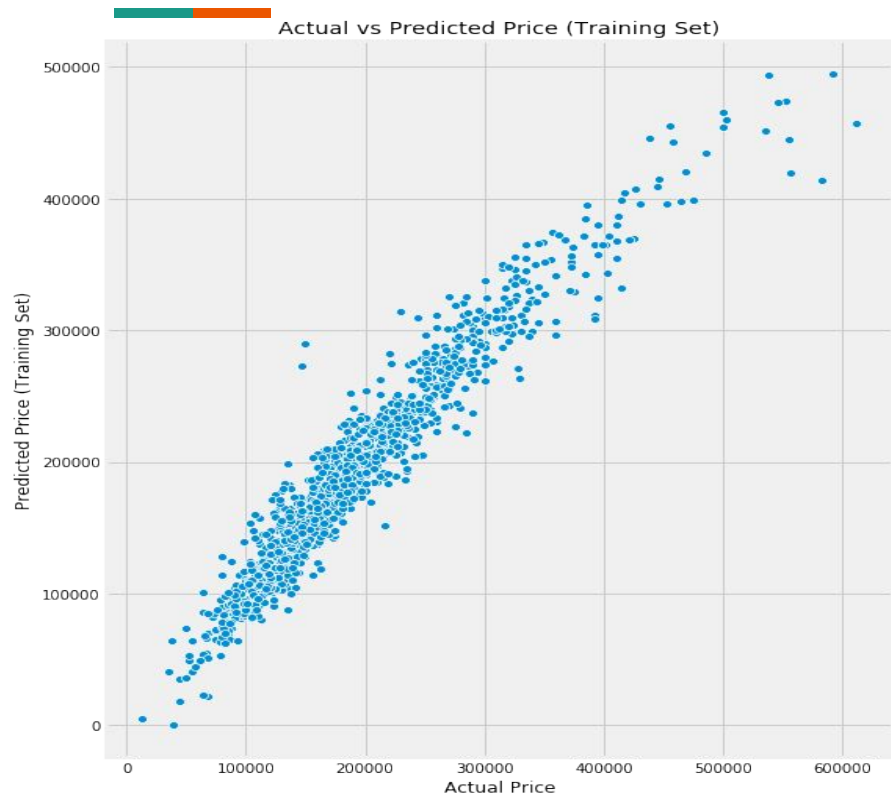


Overview

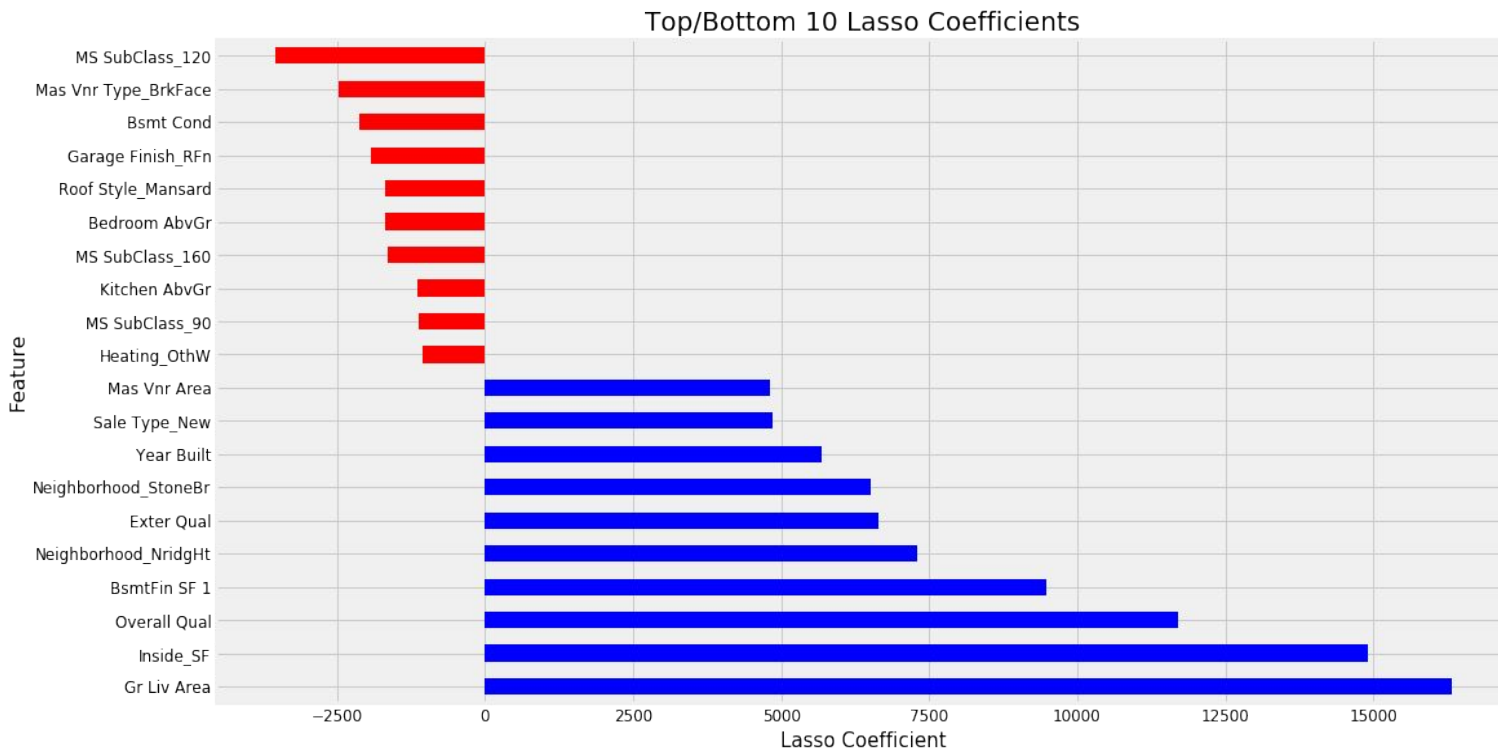
Problem: What is the best price to list your house? As a real estate broker, it is important to know what price a client should list their home in order to obtain the most value and for it to sell in a reasonable time. I created a model to predict a baseline sale price for homes in Ames, Iowa that also provides manners in which the seller can increase the home's value.

Data: Ames, Iowa housing data for homes sold between 2006 and 2010.

Model Predictions



Sale Price Predictors

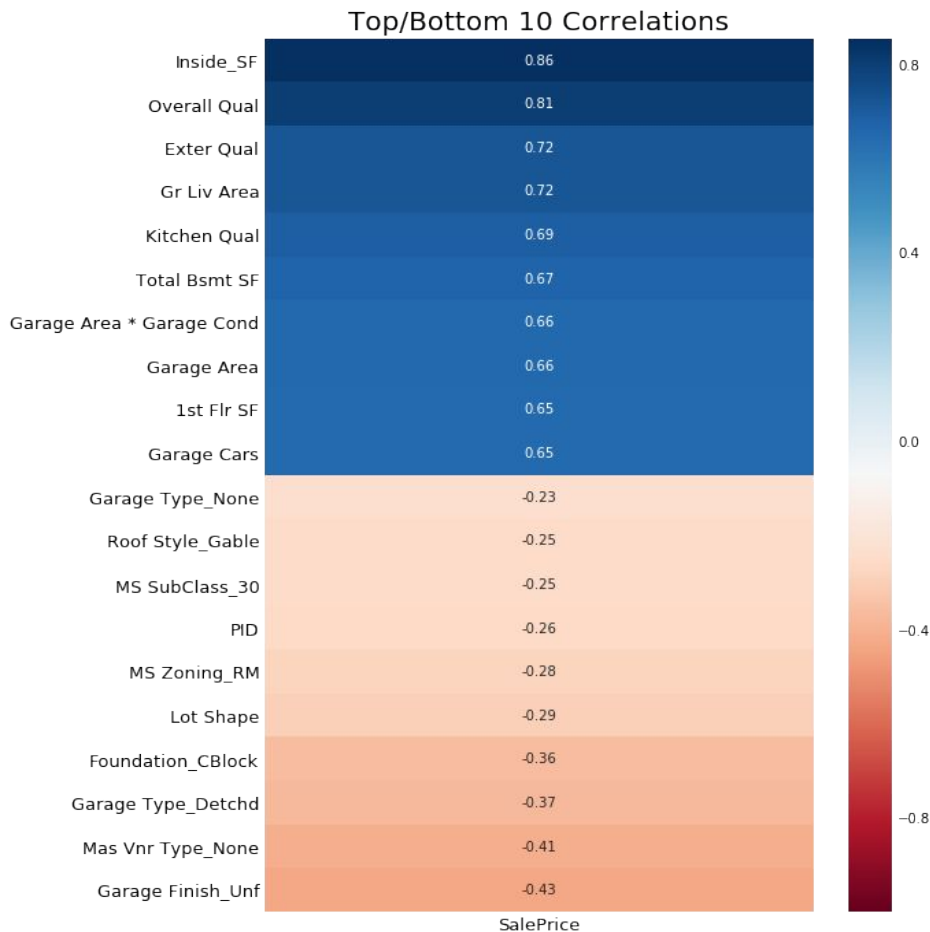


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Increasing Value

Sale Price Correlations

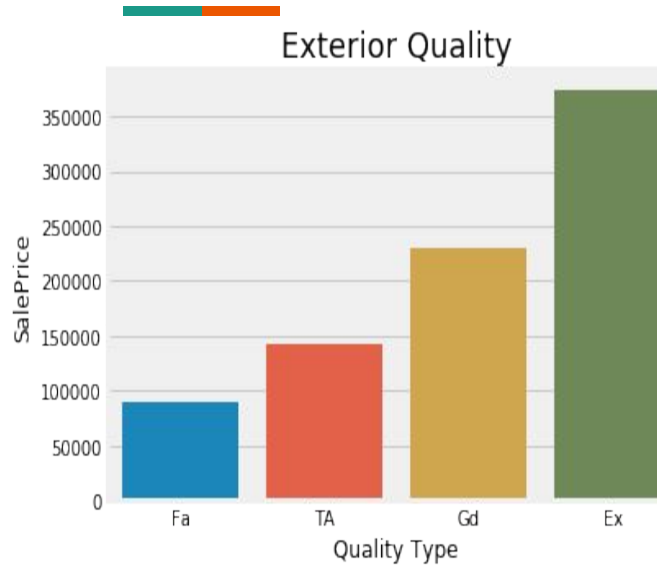
- Square footage is highly correlated with Sale Price.
- Improving the quality of the home will increase the value.
- An unfinished garage will detract value from a home.



Overall Quality



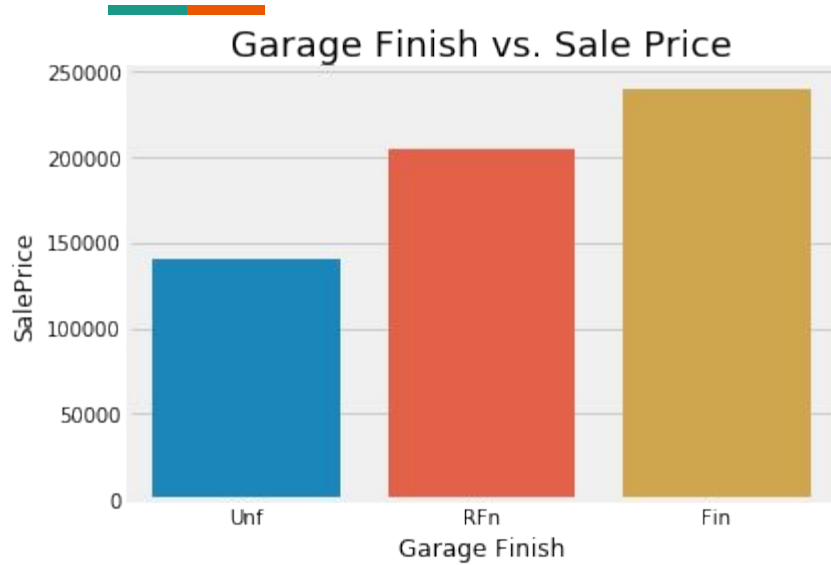
Exterior Quality



- Having a high quality exterior is correlated to higher sales price.
- Stone and cement board were associated with higher prices.



Garage Finish



- A finished garage has a significantly larger mean sale price compared to an unfinished garage.



Roof Style



Hip roofs are associated with higher sales prices. They are stable and can withstand harsh weather climates.





Conclusion

- Using my model, a real estate broker or home owner will be able to predict an accurate price to list his/her home.
- Square footage has the highest correlation to sales price.
- Improving the quality of the exterior, garage and roof can increase the overall value of a home.



Resources

- <https://www.kaggle.com/c/dsi-us-8-project-2-regression-challenge/data>
- https://en.wikipedia.org/wiki/Ames,_Iowa
- <https://plasticinehouse.com/roof-styles-sheds/>
- https://www.trulia.com/real_estate/Ames-Iowa/