HOUSE-PRICE REGRESSION ANALYSIS.
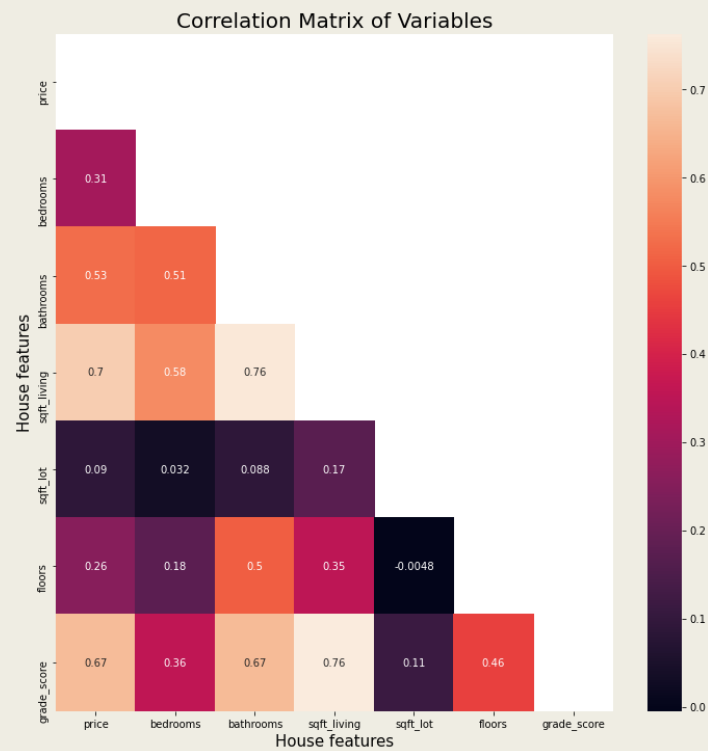
AUTHORS: JAMES MAIKARA, TREVOR MWANGI, FRANK MANDELE
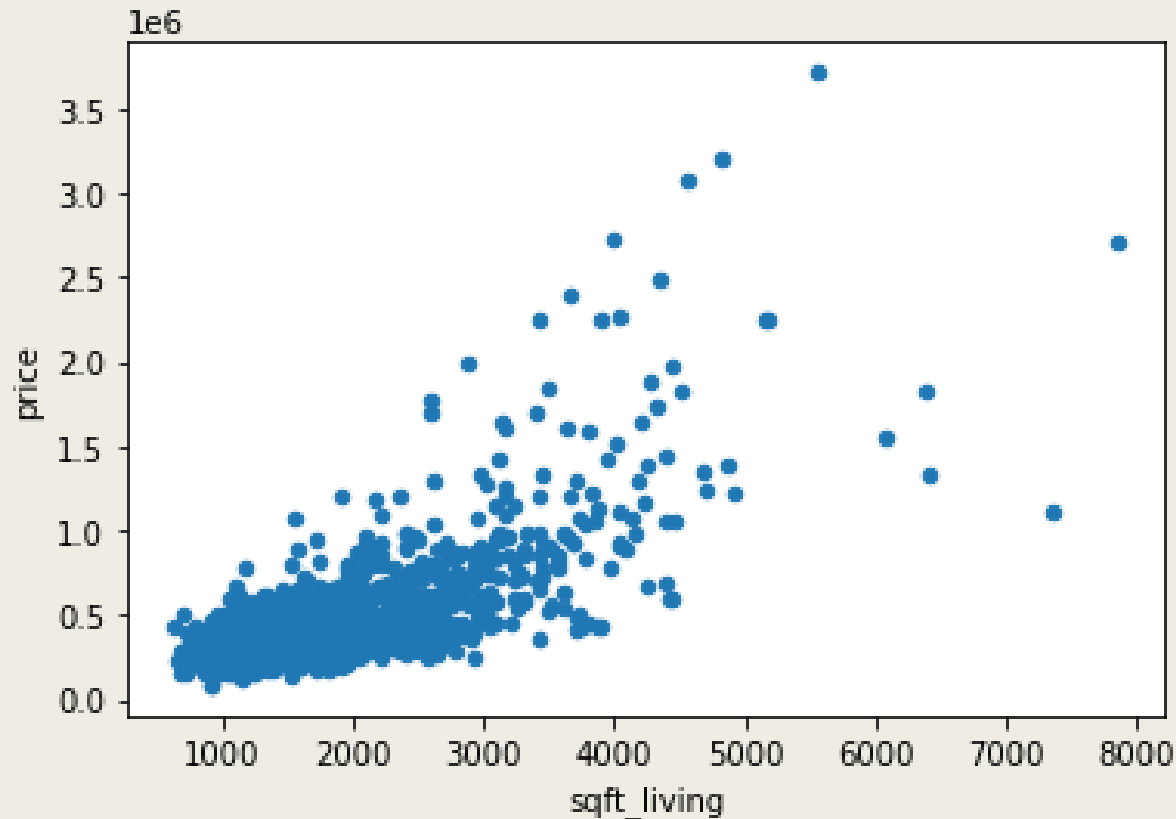
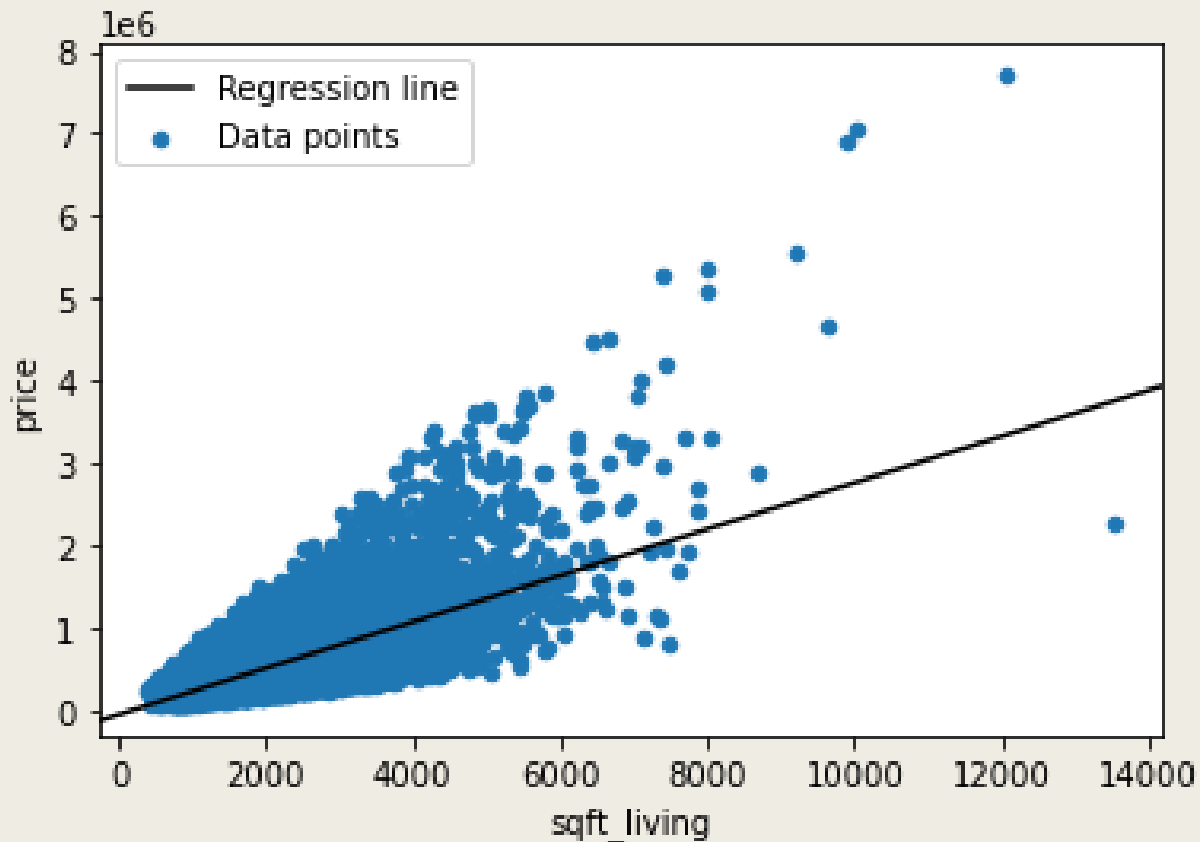# Relational Analysis

Correlation Matrix of Variables

- From the correlation coefficients, sqft_living and grade has strong correlation and possible suitable predictor variables.
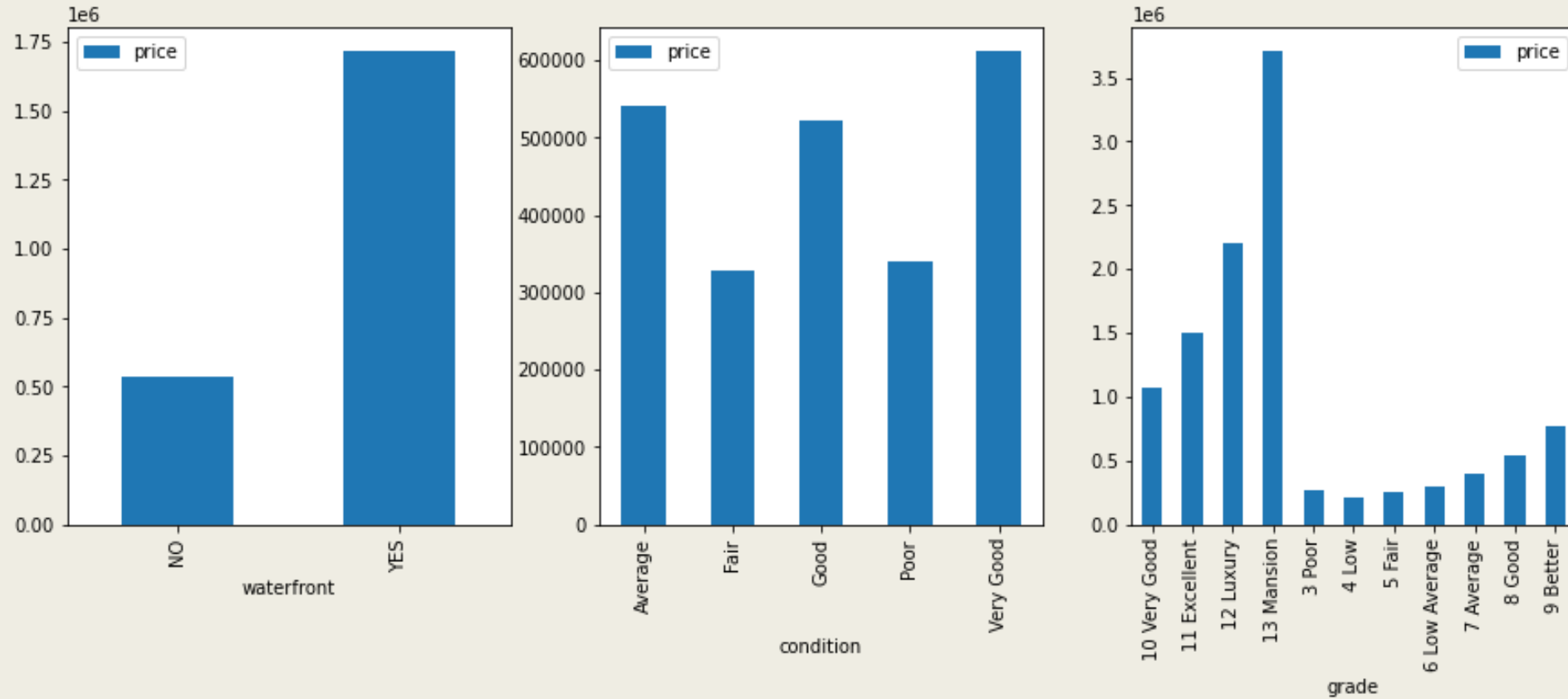
Plotting the Predictor(sqft_living) vs. Price

■ Our continuous variable displayed a possible linear relationship, making it a suitable predictor.
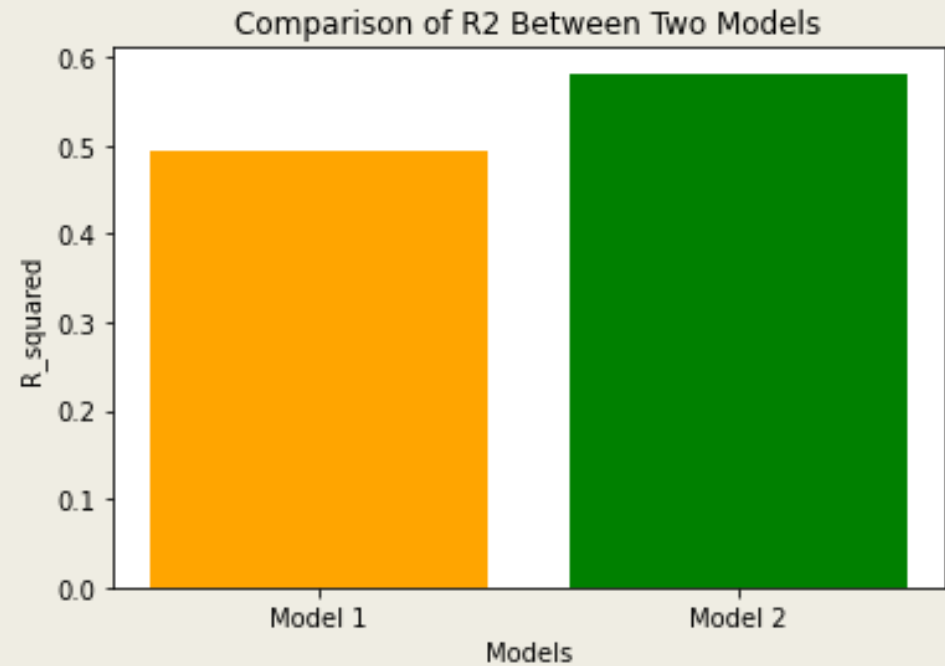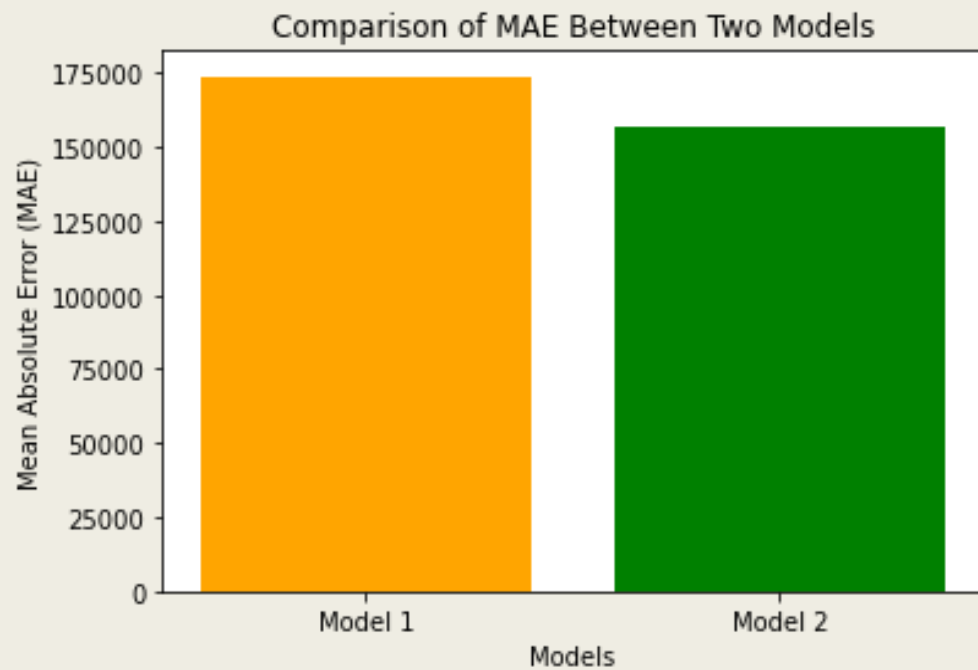
Modeling

- The regression line by sqft_living variable model

■ Other property features in relation to house price.

Models' Evaluation by MAE and R2 Metrics.

Conclusions and Recommendations

- Model 2 had a higher R2 and lower Mean absolute error which translates to higher price variance explanation and lower test errors respectively indicating an overall improvement.

- Renovation does indeed affect pricing in housing and property that undergoes renovation and upgrades demand sell high value