Home Renovation Analysis

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Overview

An analysis of King County House Sales dataset determining how different home improvements affects profitability when selling a home.

Outline

- Business Problem

- Data and Process Steps

- Results

- Conclusions

Business Problem

- Homeowners and real estate agents are looking for ways in how different renovations affect their home's price and by how much

- Find the renovations that result in the greatest increase on home's price

Data and Process Steps

- Utilizing multiple linear regressions to determine best renovations for homes
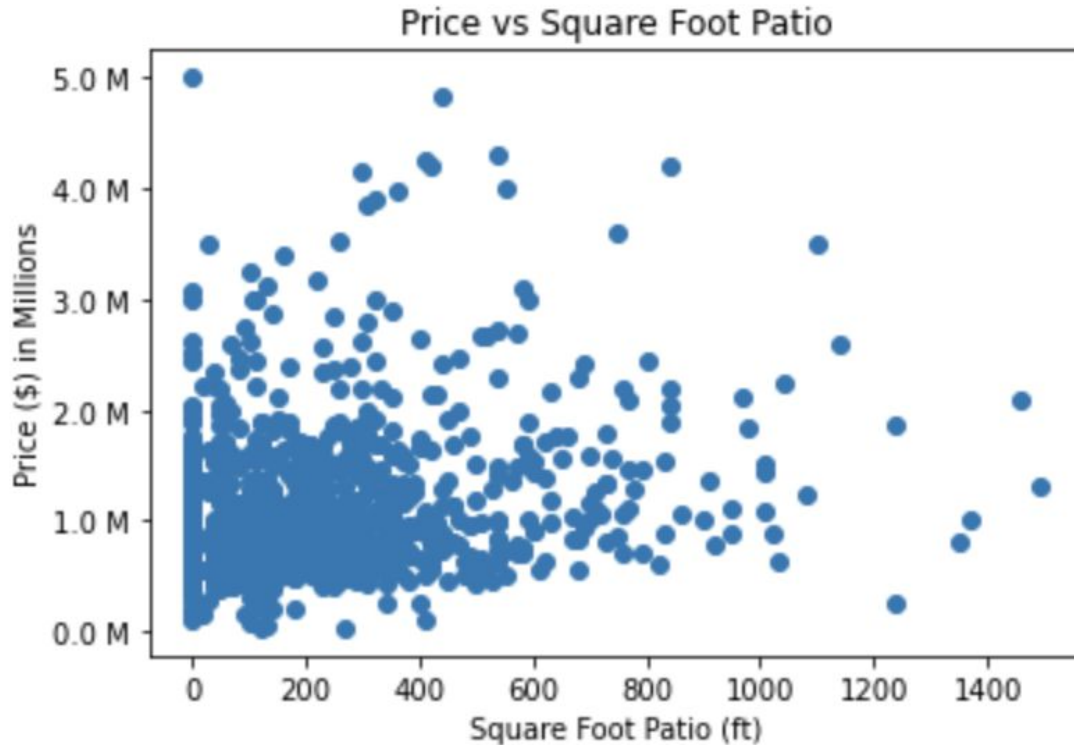
Results

- 42% variance in price

- Results statistically significant

Results

Price vs Square Foot Living Area

- For every increase in 1 square footage of the living area, expect an associated increase of $478 in price
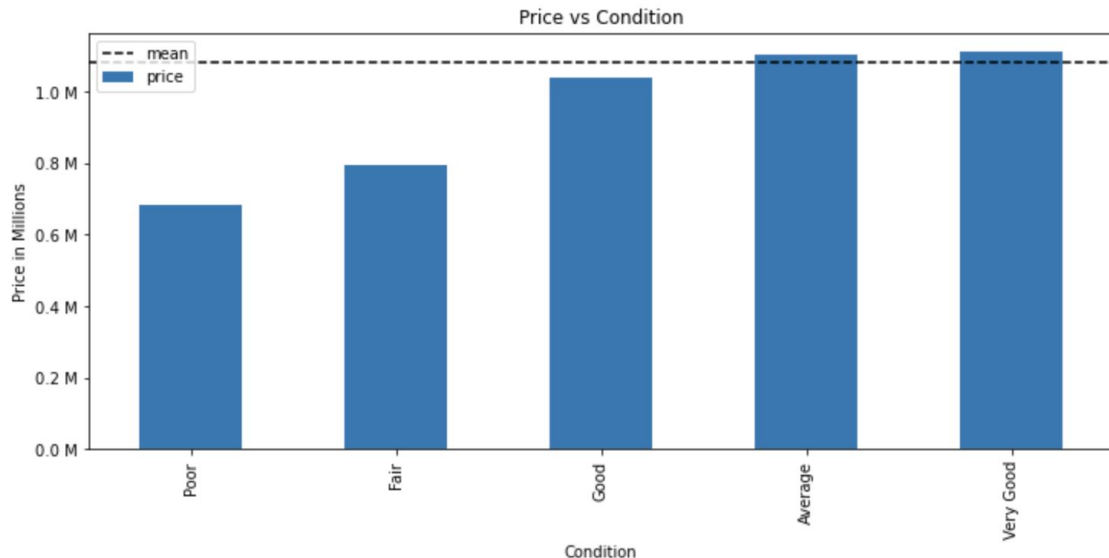
Results

Price vs Square Foot Patio

- For every increase in 1 square footage of the patio, expect an associated increase of $199 in price

Results

- Root Mean Absolute Error of 604
  - Expected error between true value and model value

Results

Price vs Condition

- The Very Good condition will result in the largest increase in price by 32%

Conclusion

- Improve the overall condition of the house to add the most value when selling a home

- Add square footage to the patio and living area to also help increase the value of the home

Thank you!

Questions?

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