

# Multi Linear Regression for Predicting Housing Prices

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Who Is This Model For?

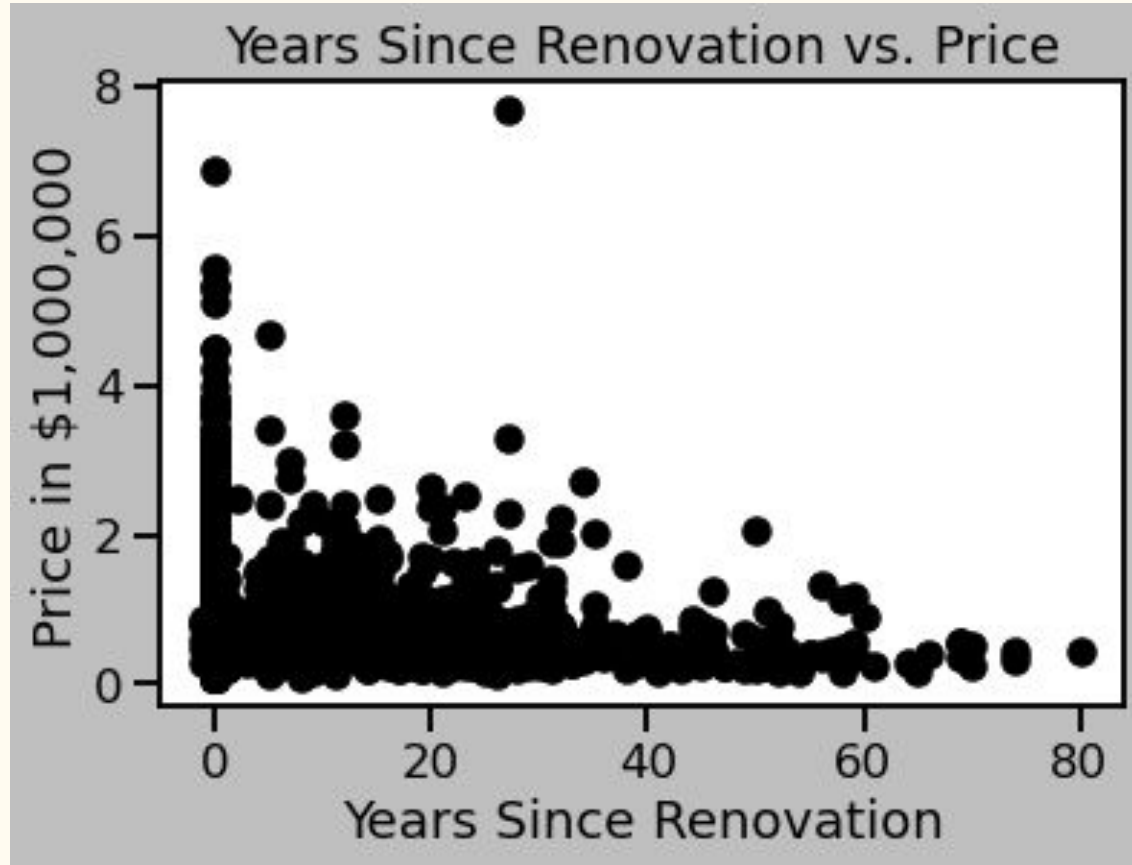
# How can we use linear regression to help create the simplest model?

- How many variables should be used?
- How accurate does the model need to be?
- Should new variables be created?

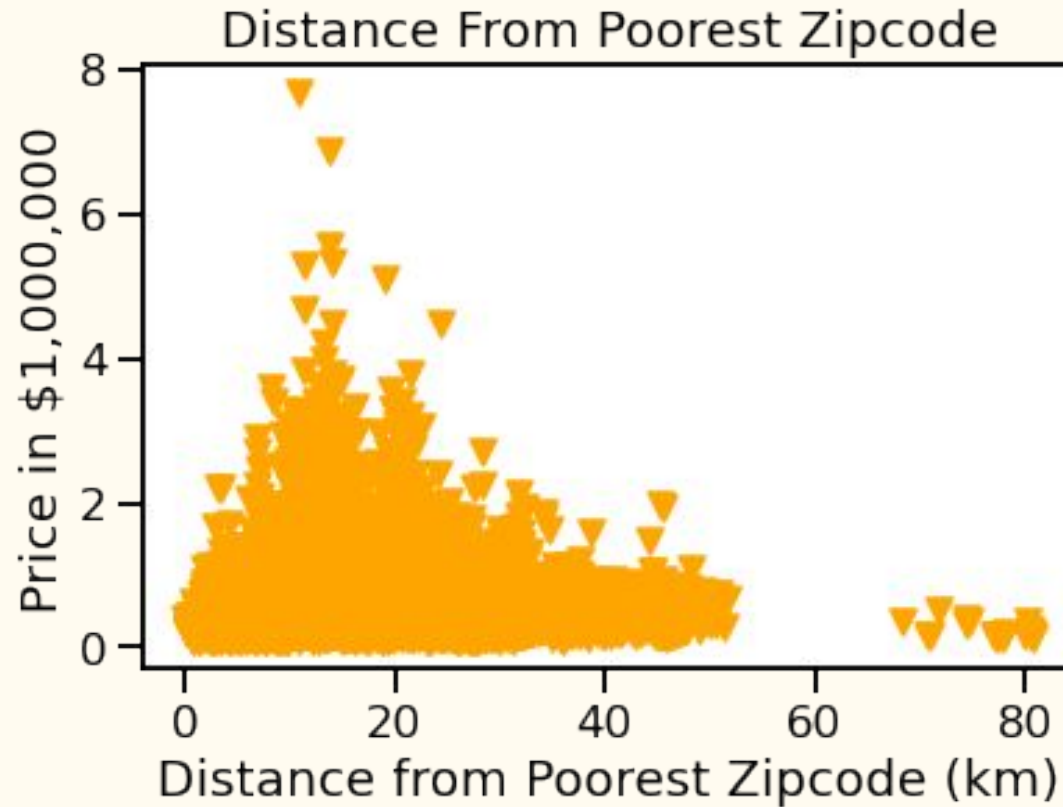
# Engineered Variables:

- Years Since Renovation
- Distance from Richest Zip Code
- Distance from Poorest Zip Code

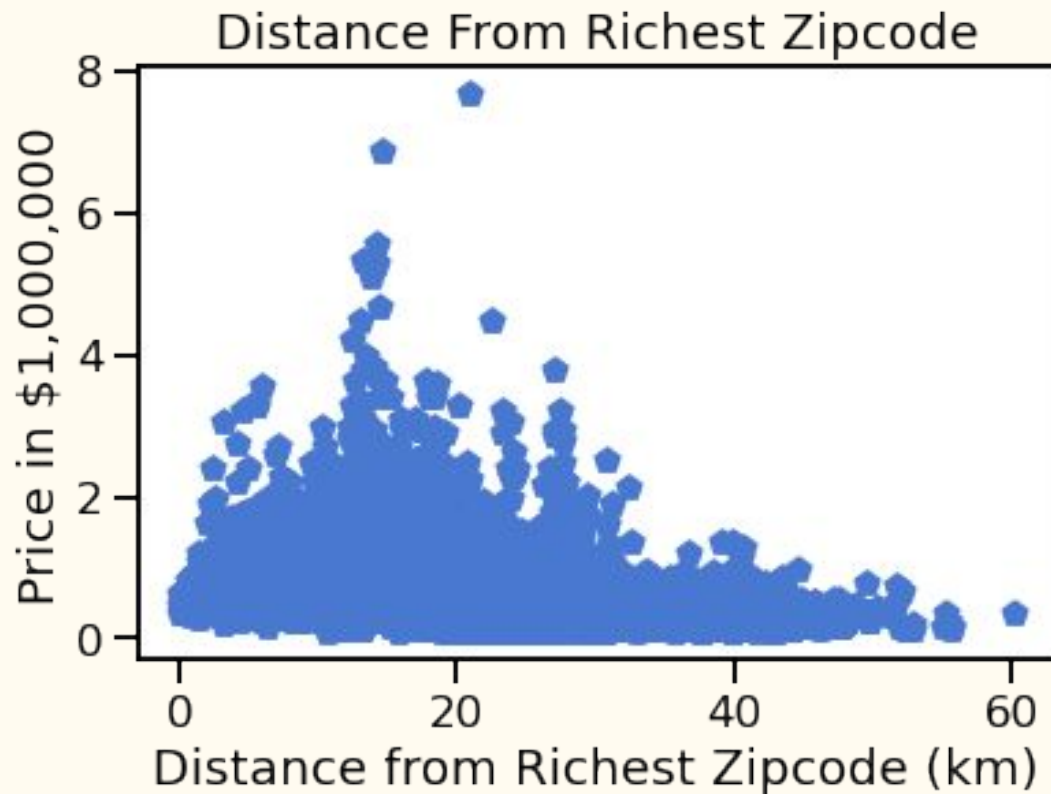
# Year Since Renovation:



- Distance from Poorest Zip Code



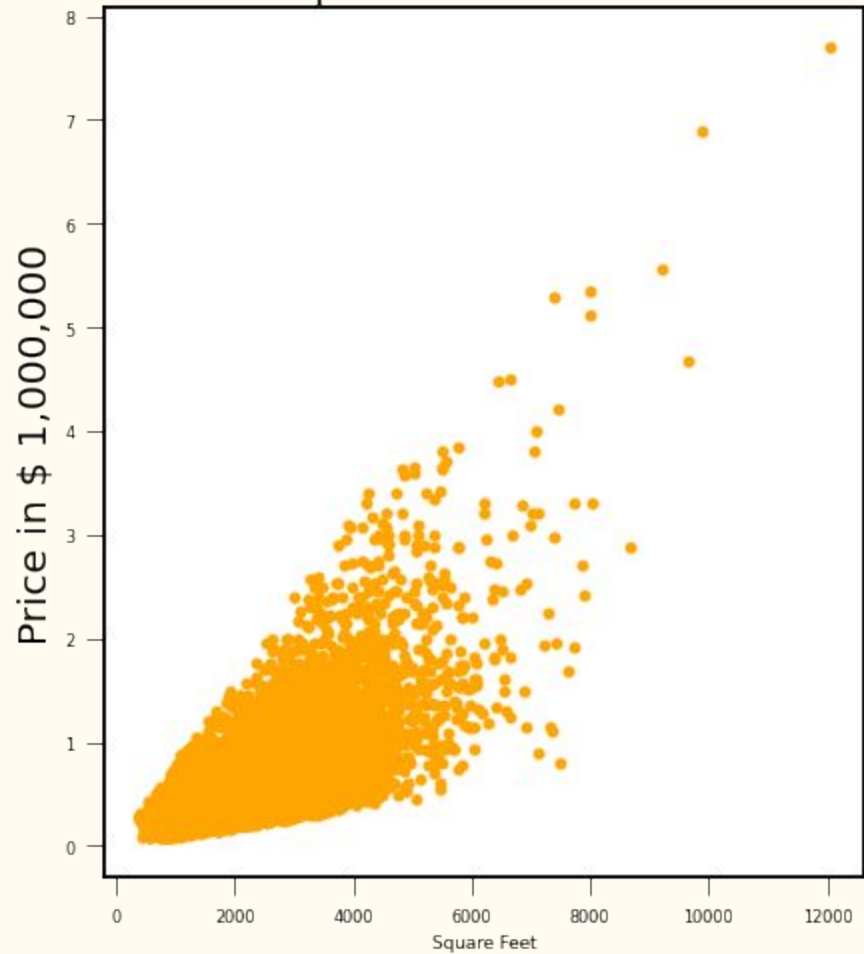
# Distance From Richest Zip code



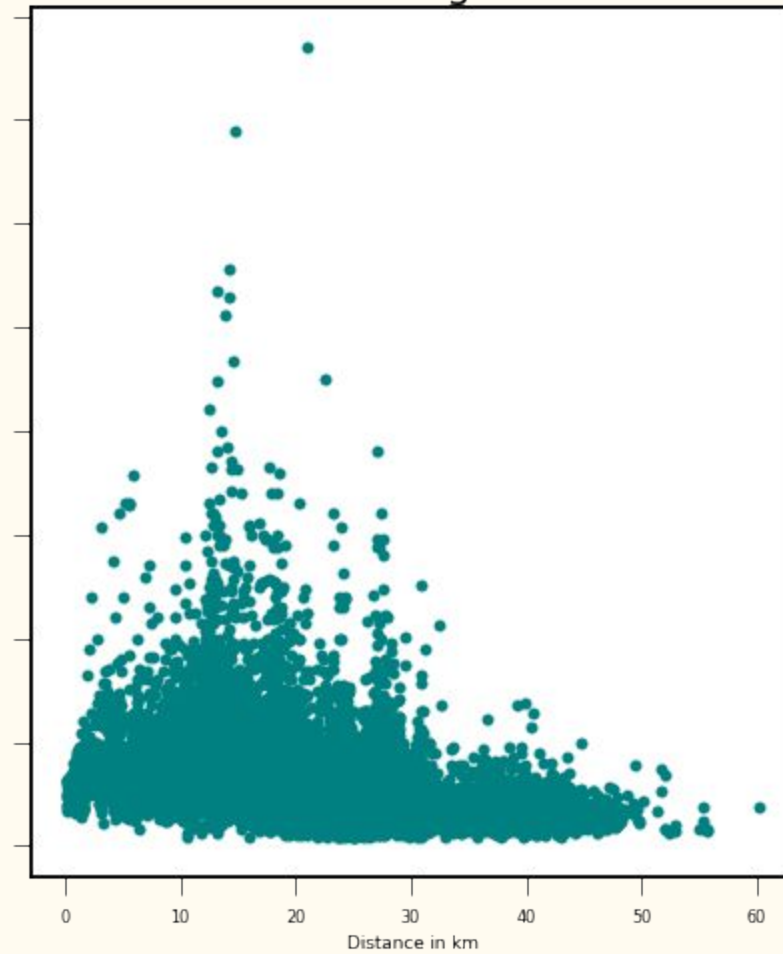
Chosen Variables:



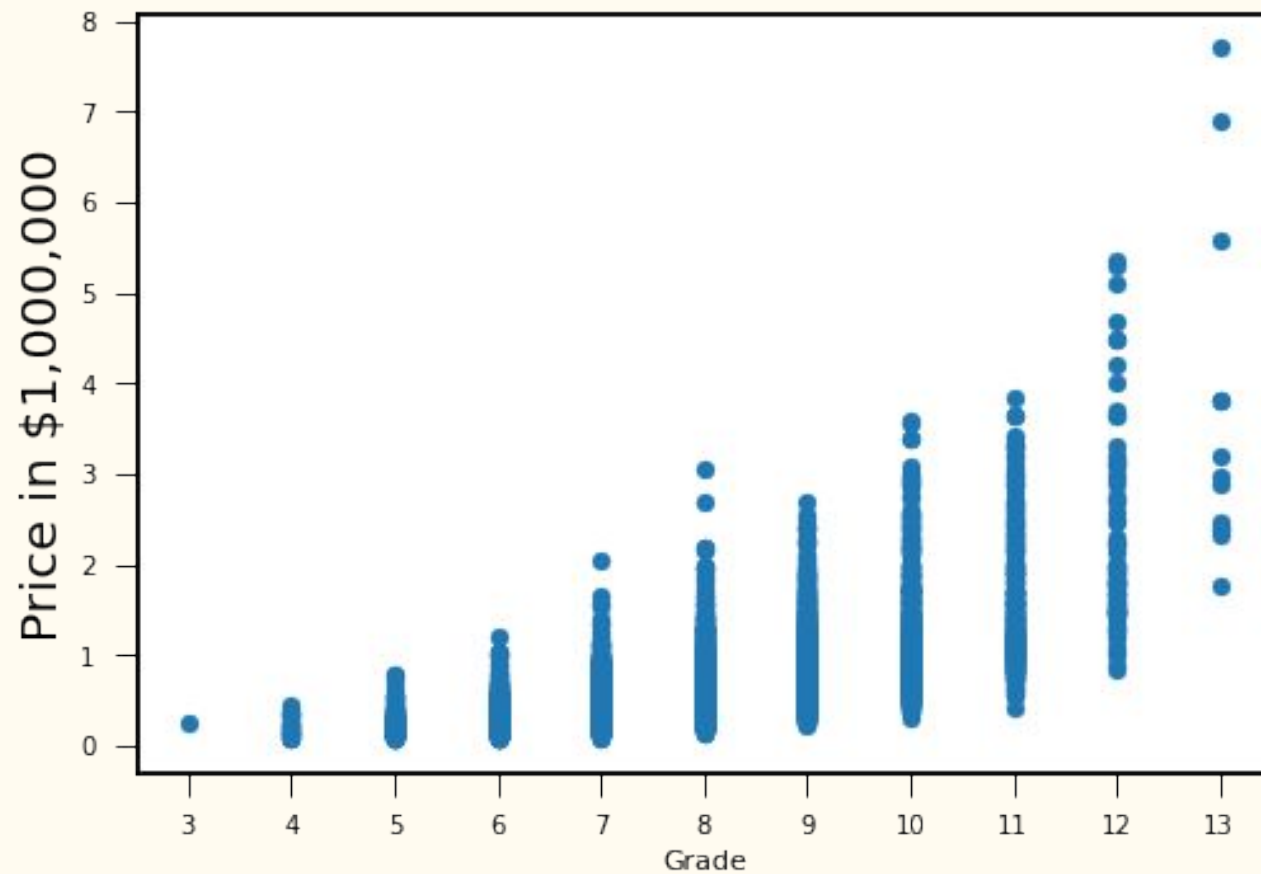
Square Feet vs. Price



Distance From Rich Neighborhood vs. Price



Grade vs. Price



# Explaining the Model:

<b>Variable</b>	<b>Effect of Adding 1 More Unit</b>
Square Feet	.02% increase in price
Distance Away From Rich Neighborhood (km)	1.56% decrease in price
Grade	16.6% increase in price

Recommendations:

## Improvements for the Future:

- Many waterfront data missing
- Minimal amounts of data for bigger houses with 6 or more bedrooms
- More information on location/school districts

Thank You!