

## Business Objective

Provide you (a real estate company) price recommendations for buying and selling homes in King County

## Agenda

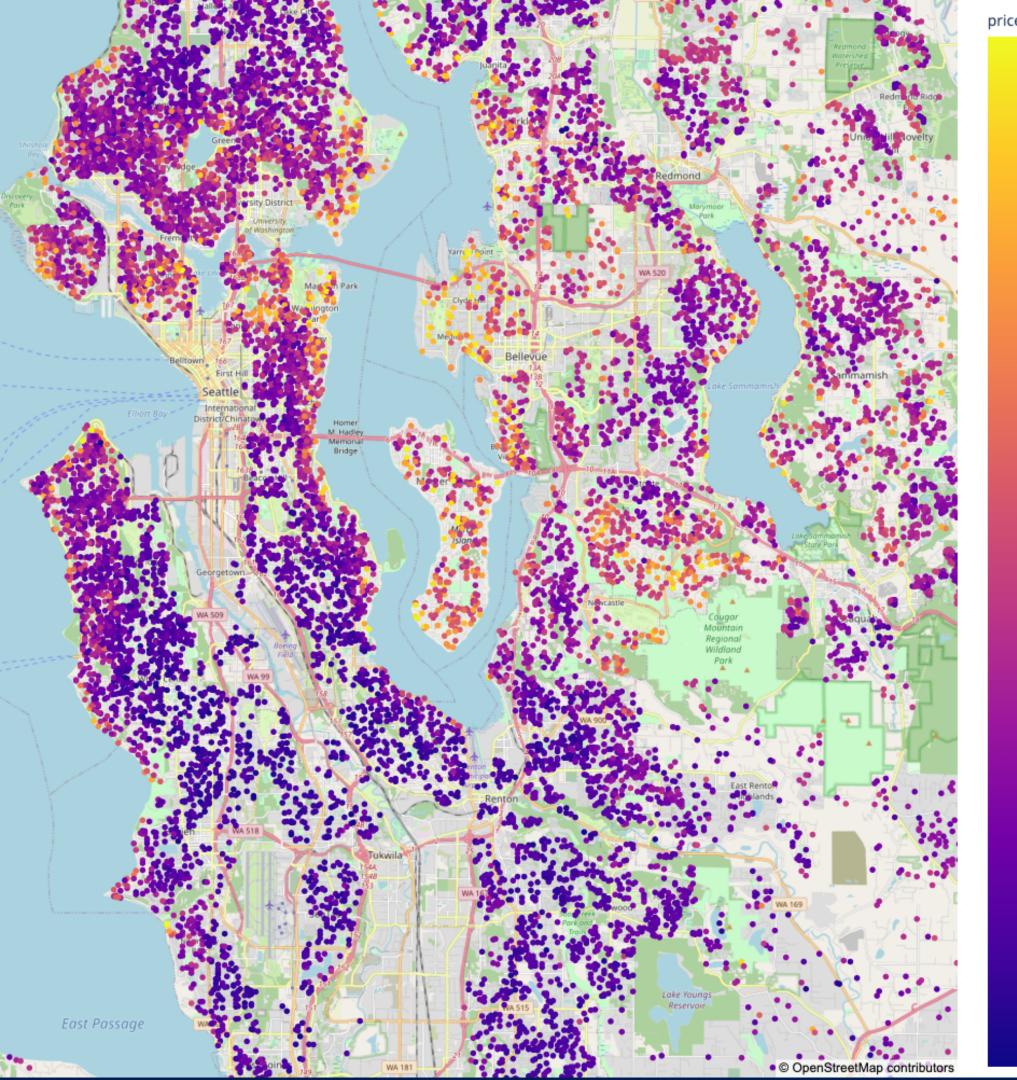
- The comps
- Buying a home
- Selling a home
- Conclusions



## The Comps

King County housing data over the course of 1 year

Let's take a look...



### Home Prices

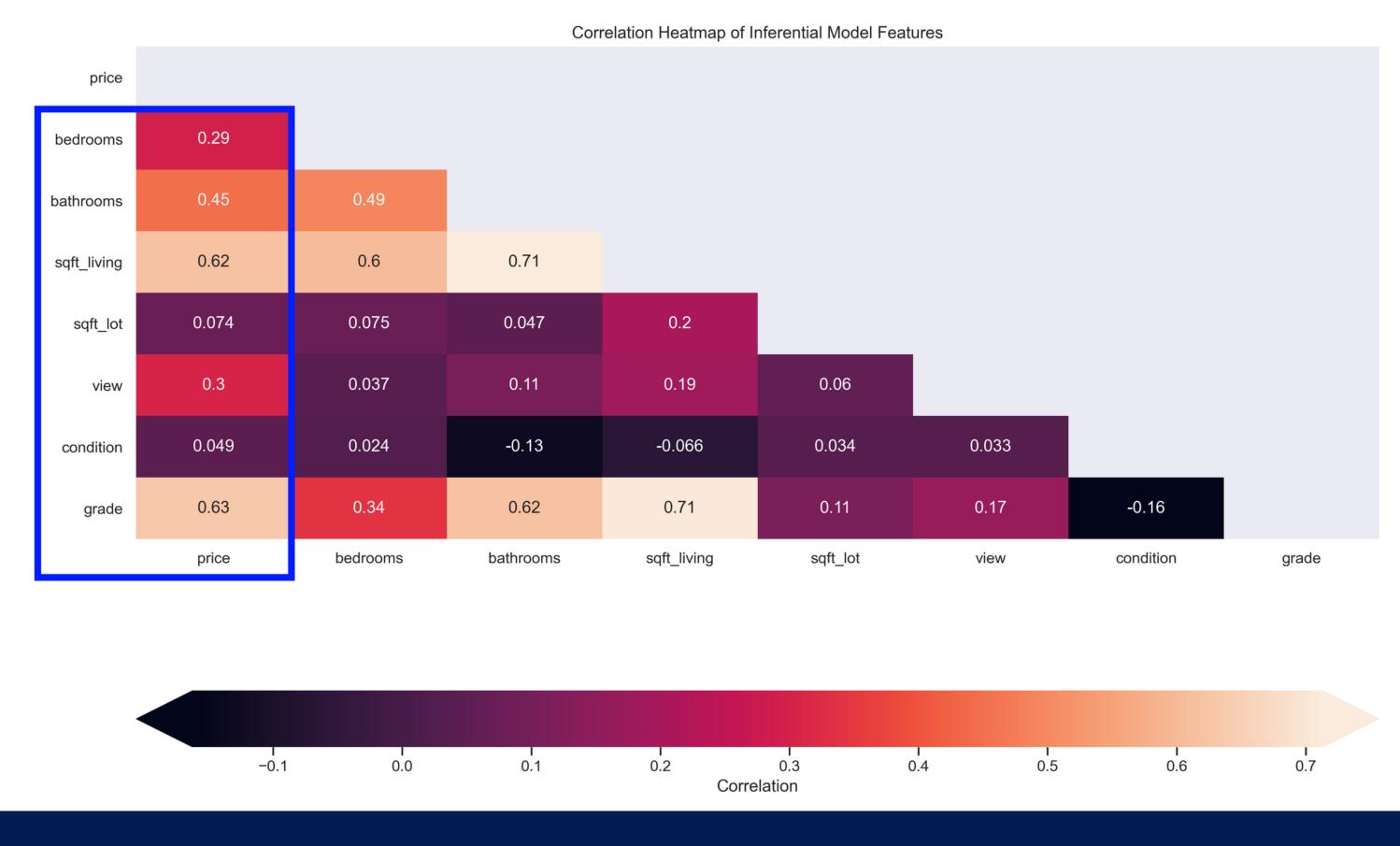
Properties with a view tend to yield higher prices

 A cluster of higher-priced homes centered around western Bellevue and Mercer Island

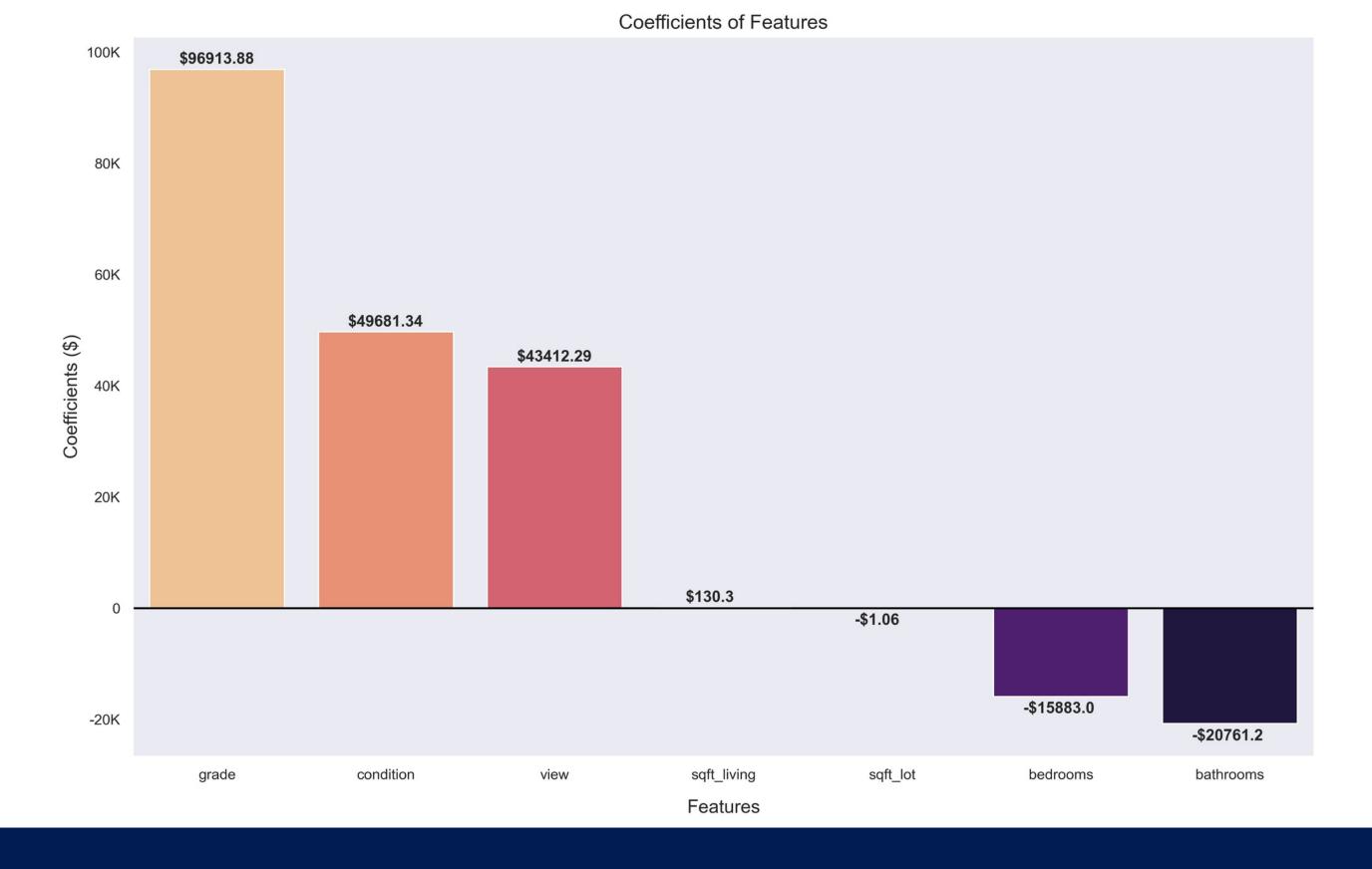
## Buying a Home

Identifying undervalued houses

\*Inferential modeling



## How Selected Features in Inferential Model Correlate to Home Prices



#### **Range of Features**

Grade: 3 – 13

Condition: 1 – 5

View: 0 - 5

Bedrooms: 1-6

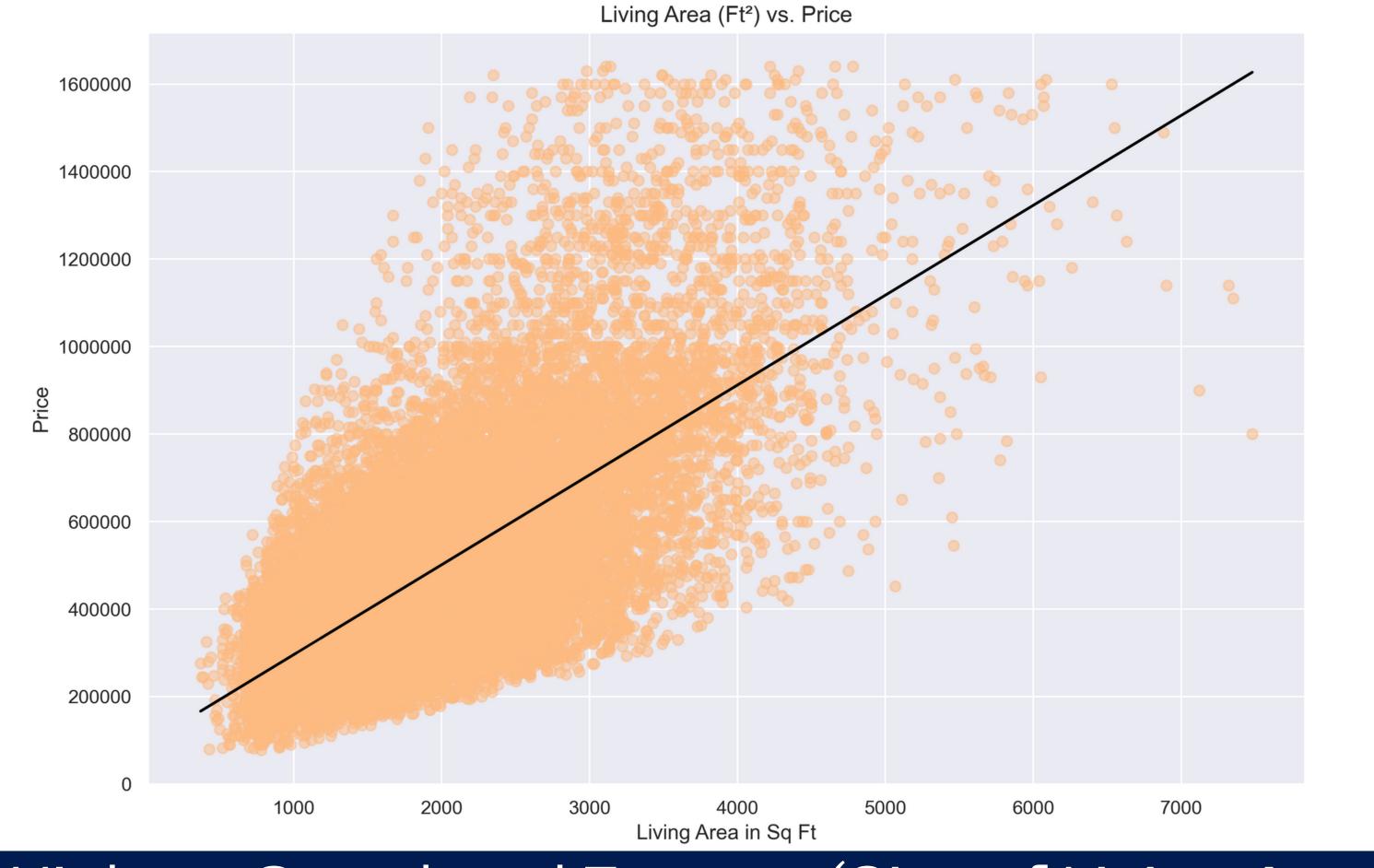
Bathrooms: 0.5 - 4.25

Step by: 0.25

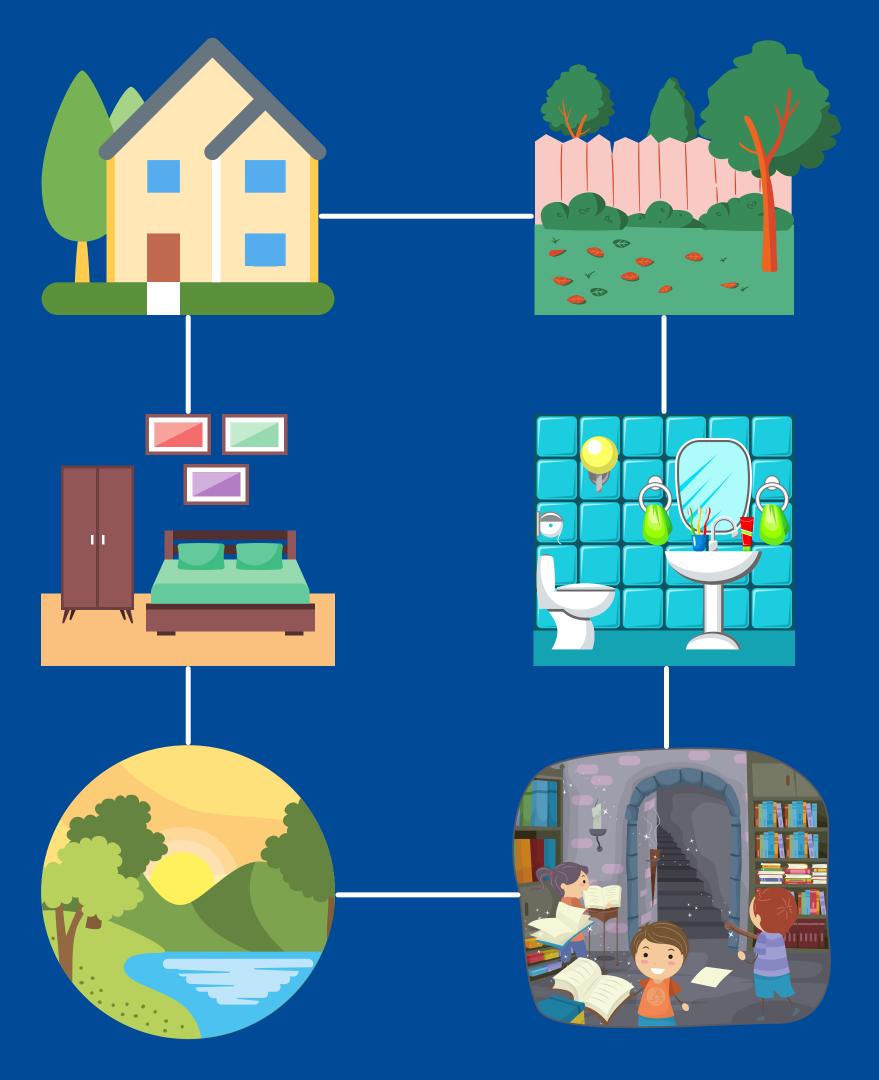
# Coefficients of Selected Features in Inferential Model (USD)

## Selling Your Home

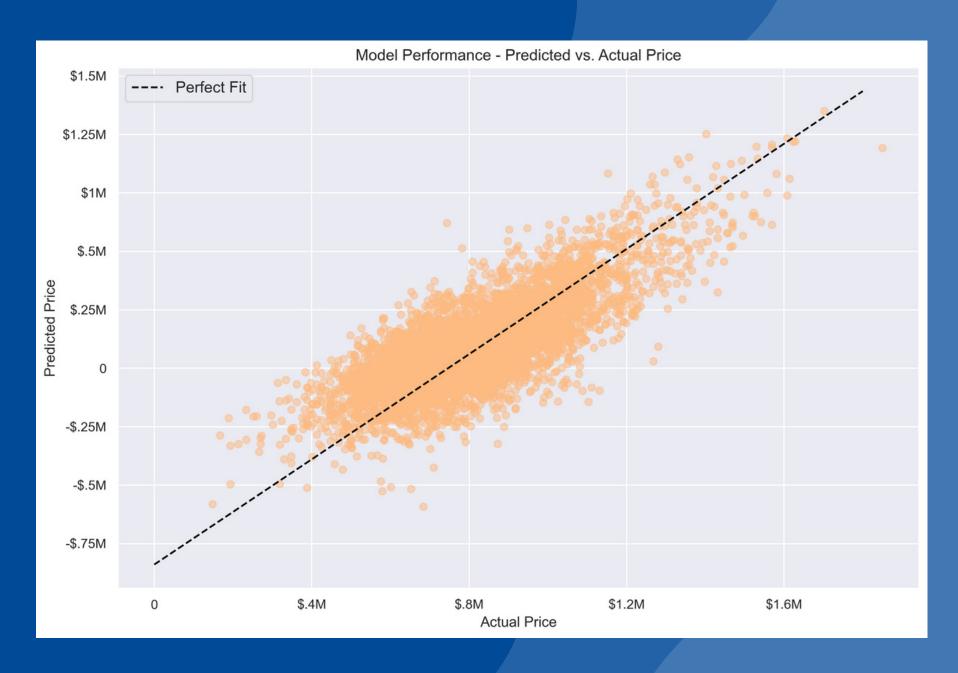
Analyzing a home's features to set an accurate price point



Highest Correlated Feature (Size of Living Area) vs. Home Price



# Accurately priced to sell within \$193K



# Conclusions & Recommendations

- Our models did not predict accurately
- Broken assumptions of linear regression
- Recommend different dataset and/or modeling approach

### Thank you!

Questions? Let us know.

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