Buying & Selling
a Home in King County

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Business Objective

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

Agenda

– The comps
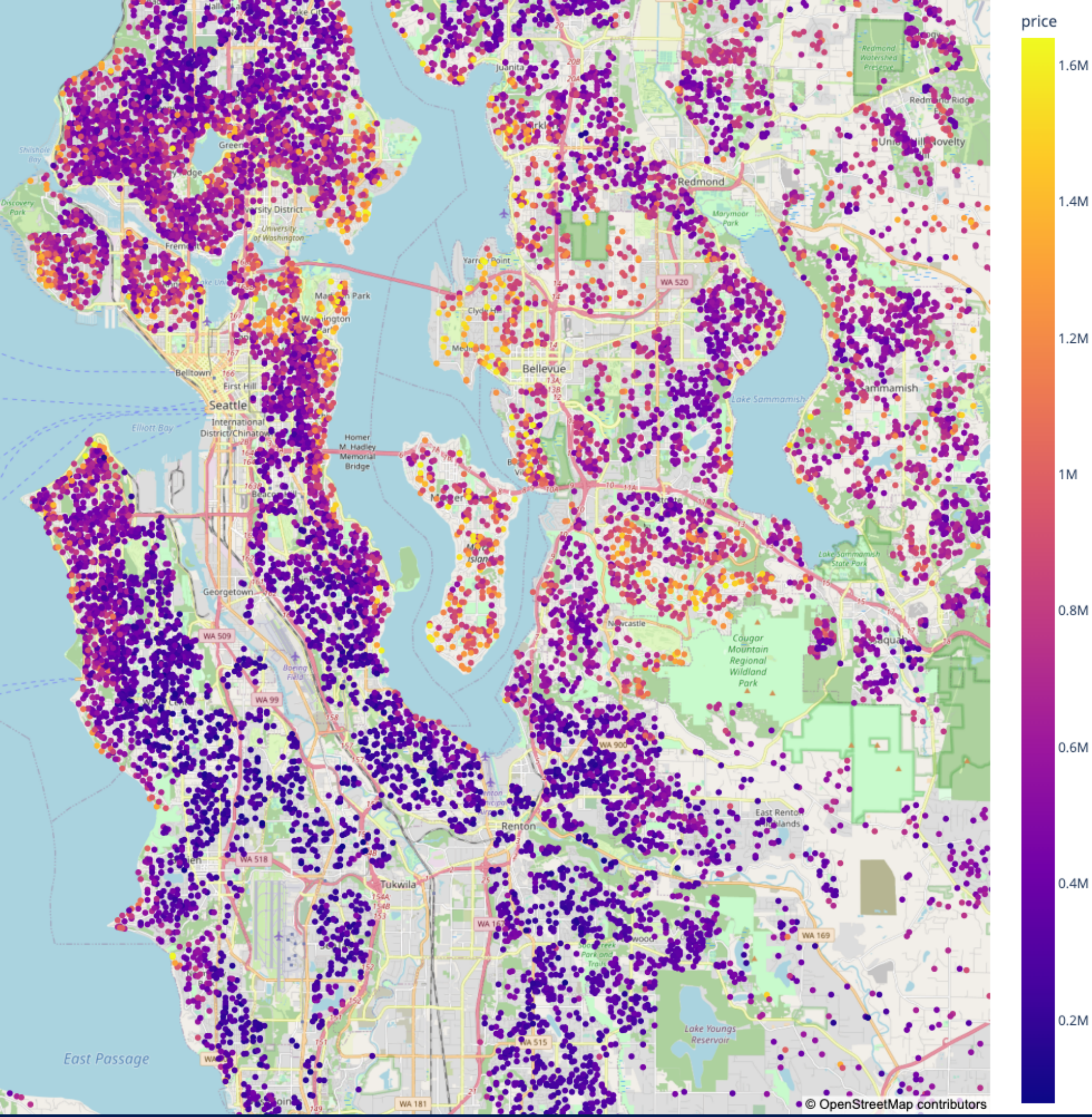
– Buying a home

– 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

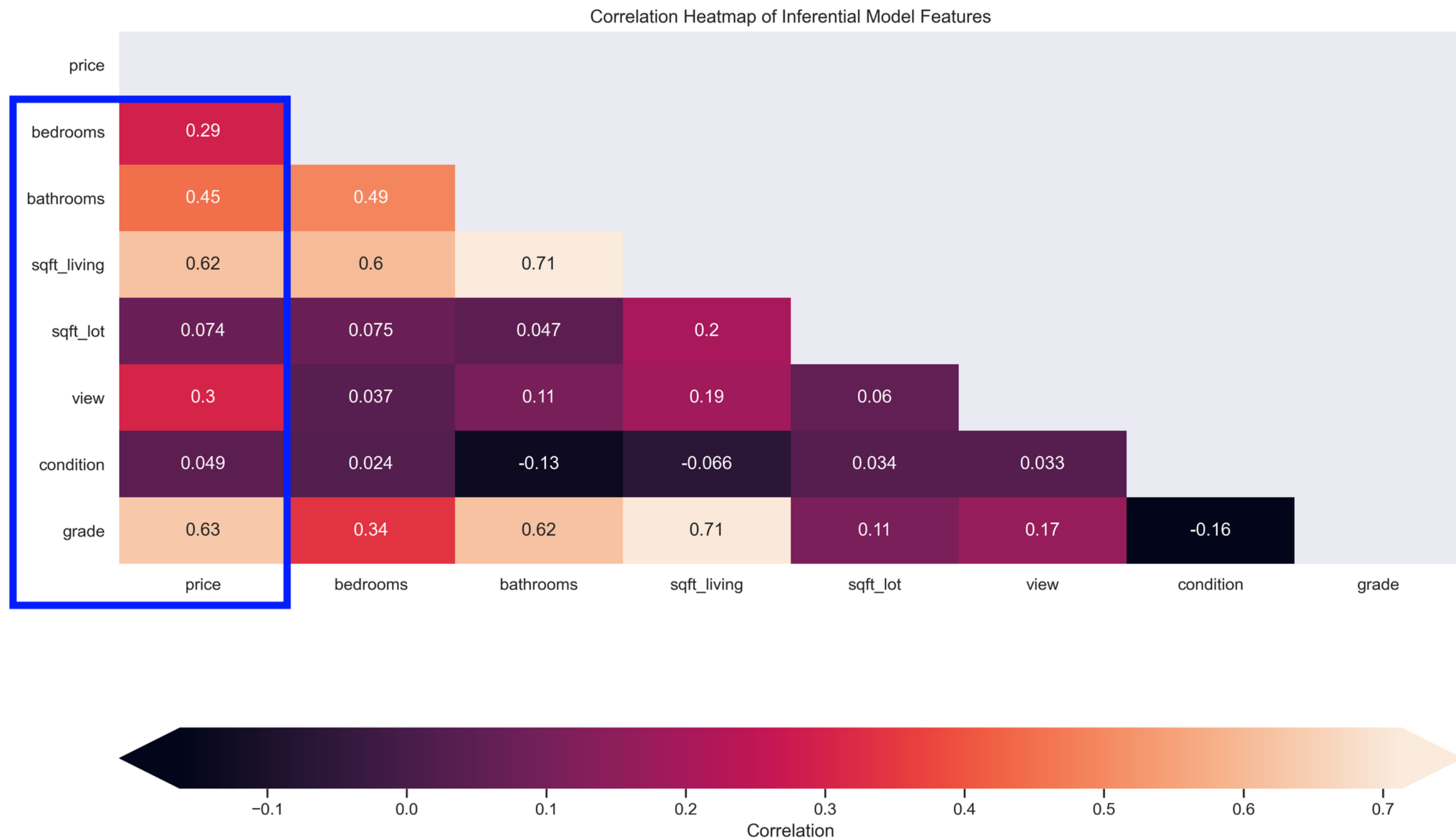– A cluster of higher-priced homes centered around western Bellevue and Mercer Island
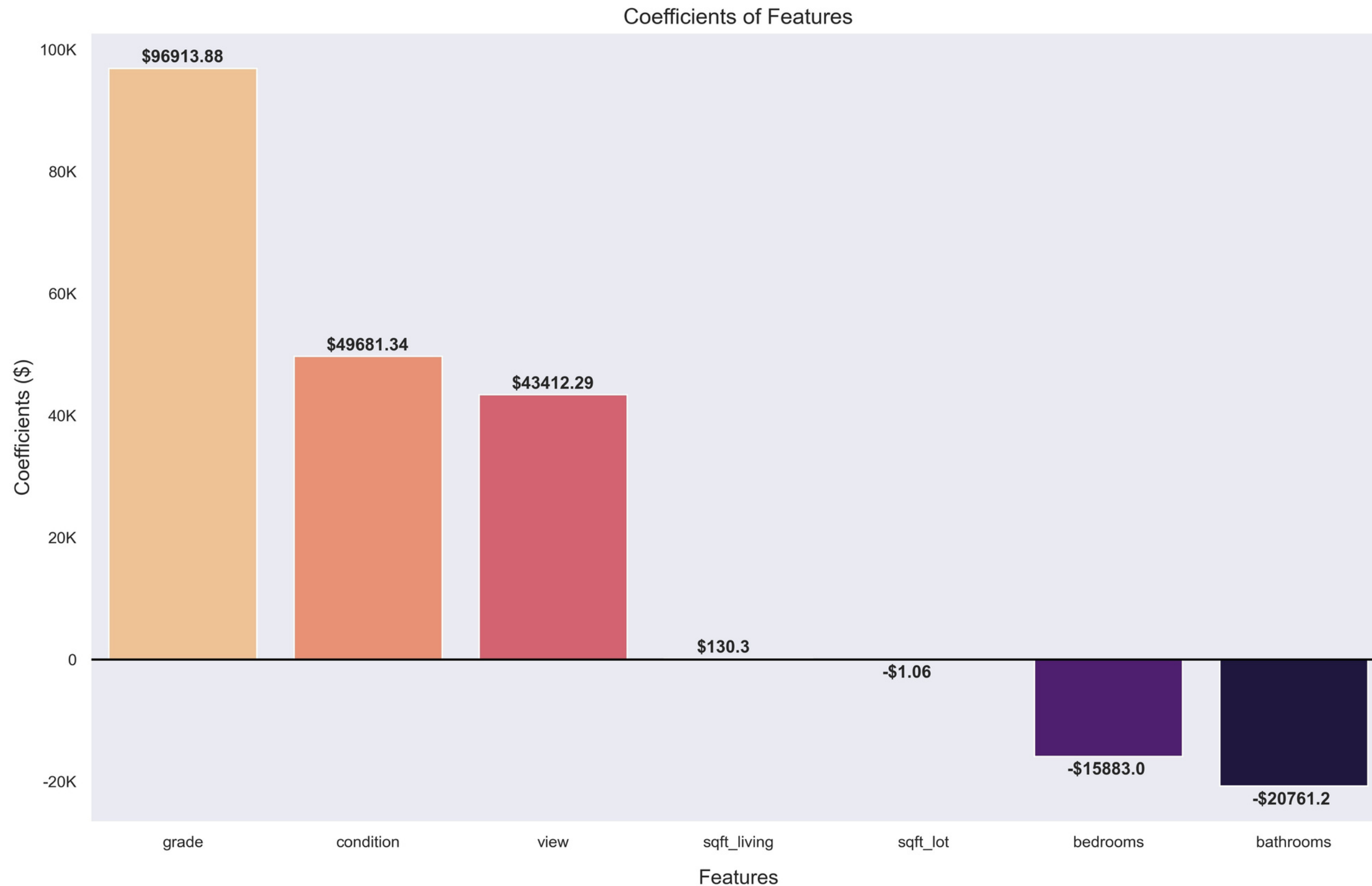
*Home prices filtered with in 3 standard deviations

Buying a Home

Identifying undervalued houses

*Inferential modeling

Correlation Heatmap of Inferential Model Features

How Selected Features in Inferential Model Correlate to Home Prices

Coefficients of Selected Features
in Inferential Model (USD)
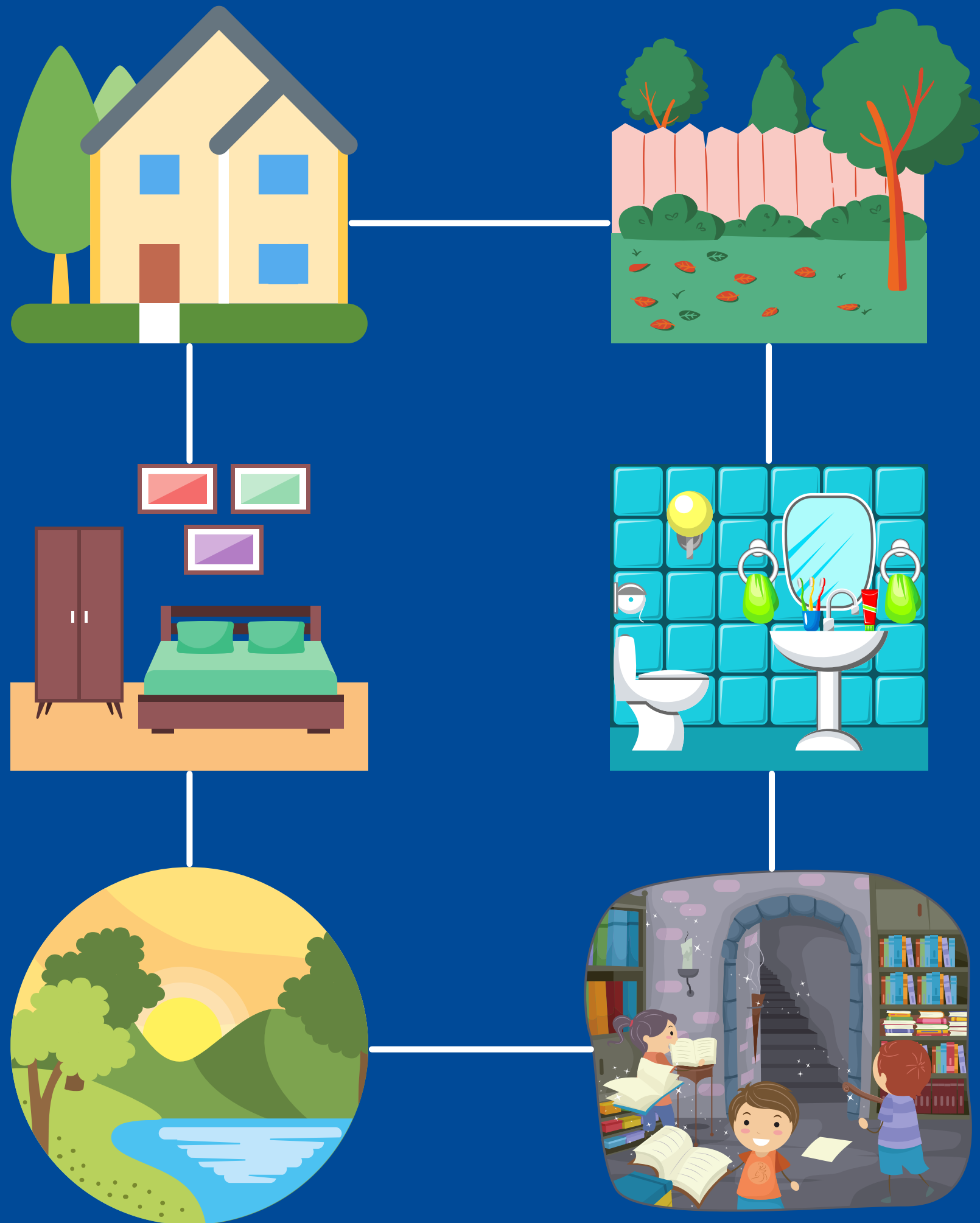
Selling Your Home
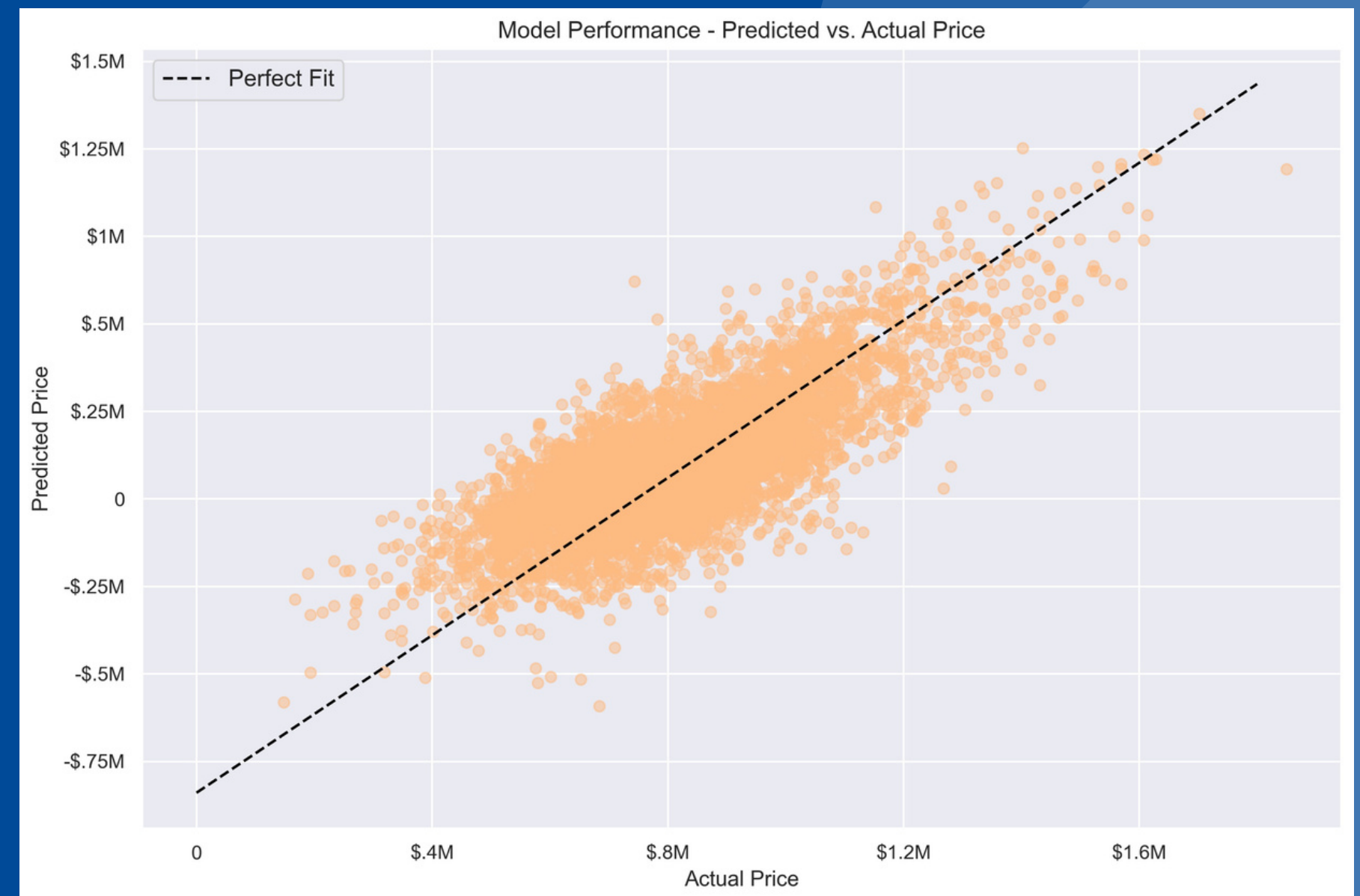
Analyzing a home's features to set
an accurate price point

*Predictive modeling

Living Area (Ft²) vs. Price

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

Accurately priced
to sell within
$193k

Model Performance - Predicted vs. Actual Price

Perfect Fit

Predicted Price

$1.5M
$1.25M
$1M
$.5M
$.25M
0
-$.25M
-$.5M
-$.75M

Actual Price

0    $.4M $.8M $1.2M $1.6M

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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