Real Estate Analysis

Business Problem

How should a real estate firm price a house based on property features such as lot, footage, bedroom #, bathroom #, and renovations?

Analysis: What did we examine?

- season house was sold
- price - Price is prediction target
- bedrooms - Number of Bedrooms/House
- bathrooms - Number of bathrooms/bedrooms
- sqft_livingsquare - footage of the home
- sqft_lotsquare - footage of the lot
- Floors total floors (levels) in house
- waterfront - House which has a view to a waterfront
- Viewed - has the house been viewed
- condition - How good the condition is (Overall)
- grade - overall grade given to the housing unit, based on King County grading system
- basement - whether house has a basement
- yr_built - Built Year
- Renovated_in_2000s - was the house renovated since 2000

Conclusions: What are our findings?

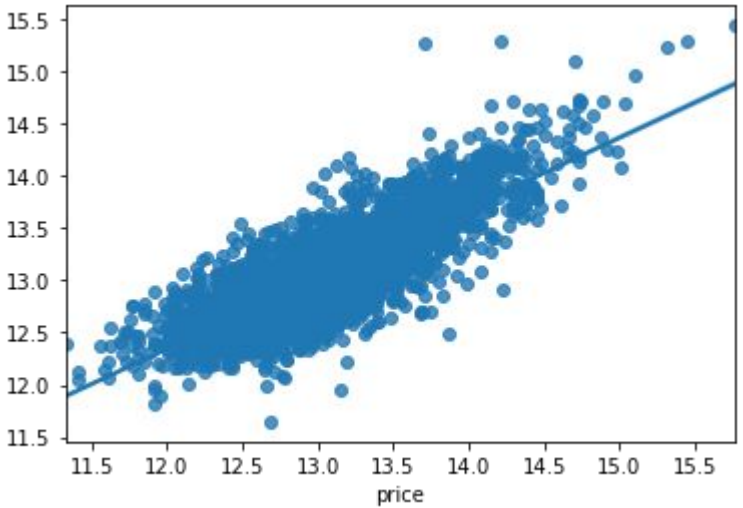
Expansion of data and more development is needed to make our model viable for use as a pricing model

No relationship between profit and viewer rating

- Genres with most global profit:

1. Animation
2. Adventure
3. Sci-Fi

Linear Regression Model



This is our linear regression model which performed the best. As you can see the general relationship is well represented but there are many house prices which fall above and below the line.

Recommendations

- Sell houses in the Spring and Summer. More houses are purchased during this time and they tend to sell for higher prices.

- Expand data set beyond houses sold in 2014 and 2015. Having more current data would make the model more accurate.