­House Price Prediction with ANN’s

A 2-layer Artificial Neural Network(ANN) can be effectively applied to predict housing prices by learning the complex relationships between various features such as location, square footage, number of bedrooms, etc. Neural networks, particularly those with multiple layers, excel in capturing non-linear patterns in the data, making them well-suited for tasks like price prediction, where such relationships exist. A 2-layer ANN, though relatively simple, can already model these relationships effectively by adjusting weights during training to minimize prediction errors. By feeding the model with historical housing data, the ANN can generalize patterns and predict the price of a house based on input features. Despite its simplicity, the 2-layer structure of the network allows for significant flexibility, handling the "fuzzy" nature of real-world data, where clear cut rules are difficult to define. This capability is critical in the housing market, where prices fluctuate due to numerous dynamic and sometimes unpredictable factors.

Reference

Zhang, Y., & Dong, Y. (2018). Predicting house prices with artificial neural networks. Journal of Artificial Intelligence, 8(2), 45-56.