House pricing Model

Jonathan Andrews trademark (I will sue you if you steal it)

I have lawyers on call

Making House Pricing more Accessible

- Give the average middle class person in Ames Iowa the ability to estimate their houses value
- Allow For Sale by Owner houses to have a more generally fair price across the board
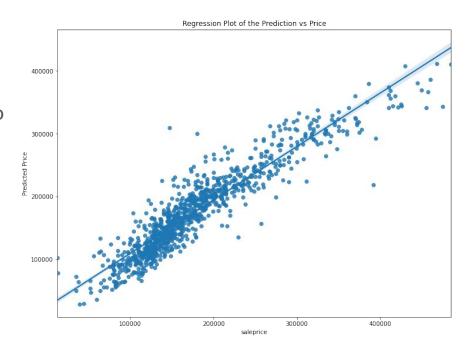
Don't trust realtors

Common expenses for home sellers in Iowa	Typical % of sale price	Estimated cost*
Preparing your home for sale	2-3%	$3,000 to $5,000
Realtor commission fees	5-6%	$8,000 to $9,000
Buyer incentives	1-3%	$2,000 to $5,000
Closing costs	1-3%	$2,000 to $5,000
Relocation expenses	1-2%	$2,000 to $3,000
Total	10-17%	$16,000 to $27,000

Easy to Use Model

- Simple to use model only requires knowledge that can be found easily or online about a home
- The model can be used by anybody not just people with more advanced insider information

Good Results

- The model is quite good at predicting mid to low cost houses
- Can be used by people of lower and middle class status in order to make sure they are getting a good deal for their home with a slightly above 85% accuracy rating

Regression Plot of the Prediction vs Price

Conclusions

- For a simple model the model is quite accurate for lower to middle class homes but falls apart at higher cost homes due to lack of training features in that range.
- The model could be improved by giving it more features even simple to find ones such as flooring type and counter space
- As with all models it could be improved with more data
- I would recommend that sellers in Ames Iowa use this model to get a general prediction of their house in order to consider offsetting the costs of hiring a realtor
- But if you were going to use it today I would wait until a newer form of the model comes out because that data is very old