RealAS RESIDENTIAL PRICE PREDICTION

RMIT-developed software is putting the real back into real estate prices providing bidders with accurate price estimates

Opportunity

Australians looking to purchase a house often select properties to pursue based on the estimated price range provided by agents. They attend an auction and bid, suffering frustration and wasted time when their dream home sells for well above the expected price.

Partners

Buyers advocate David Morrell approached RMIT, with investors Andrew Newbold, and Jeremy Press in 2011, to find the technical expertise to develop a product which matched potential buyers with suitable property.

Research team

Data mining expert and then Head of the Evolutionary Computing and Machine Learning group Associate Professor Vic Ciesielski led the project.
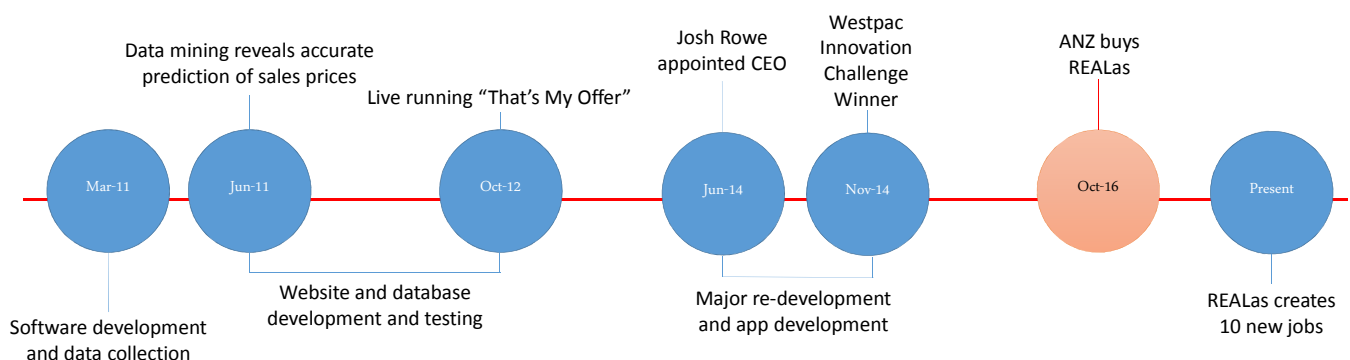A team of RMIT students were employed to design a web interface for the software to take the product to market.

Associate Professor Vic Ciesielski
Computer Science and Software Engineering

Josh Rowe
REALas CEO and RMIT alumnus

Approach

RMIT's research team used a range of machine learning, data mining and big data analysis techniques and some handcrafted algorithms to build the prediction models.
The models draw property information from a range of sources and predict within 5 per cent the final sales price.
The result is a website and associated database accessible via mobile to accurately predict the prices of properties up for sale.

Timeline:
- **Mar-11** — Software development and data collection
- **Jun-11** — Data mining reveals accurate prediction of sales prices; Website and database development and testing
- **Oct-12** — Live running "That's My Offer"
- **Jun-14** — Josh Rowe appointed CEO; Major re-development and app development
- **Nov-14** — Westpac Innovation Challenge Winner
- **Oct-16** — ANZ buys REALas
- **Present** — REALas creates 10 new jobs

Impact and outcomes

REALas predicts property prices Australia wide with a median accuracy within 5 per cent of the final sale price.
This enables buyers to go to auctions confident that the selling price will be within their planned budgets, avoiding unnecessary frustration and saving them time.
Following ANZ's purchase of REALas, 10 new jobs were created to manage and support the REALas product.
ANZ is exploring new applications relating to housing loans.

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