Bayesian Retrospective Analysis of the Dwelling Price: An application to the Real Estate Market of Zaragoza

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Abstract: This paper carries out a retrospective analysis of the dwelling price evolution in a real estate market. We use a semi-parametric Bayesian approach with heteroscedastic errors and spatio-temporal autoregressive and neighbourhood effects (STAR), based on the framework proposed by Pace et al. (1998, 2000). The methodology is applied to the Real Estate Market of Zaragoza.

Keywords: STAR, Retrospective Regression Analysis, Bayesian Inference, MCMC, Hedonic Model, Real Estate Market.