```
import pandas as pd
import seaborn as sns
import os
import numpy as np
import matplotlib.pyplot as plt
housing_df = pd.read_csv("/content/housing.csv")
# Use .info() to show the features (i.e. columns) in your dataset along with a count and datatype
housing_df.info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 20640 entries, 0 to 20639
     Data columns (total 10 columns):
     # Column
                            Non-Null Count Dtype
     0 longitude
                            20640 non-null float64
      1
         latitude
                            20640 non-null float64
         housing_median_age 20640 non-null float64
                             20640 non-null float64
         total_rooms
         total_bedrooms
                            20433 non-null float64
         population
                             20640 non-null float64
         households
                            20640 non-null float64
                            20640 non-null float64
         median_income
         median_house_value 20640 non-null float64
     9 ocean_proximity
                           20640 non-null object
     dtypes: float64(9), object(1)
     memory usage: 1.6+ MB
```

housing_df.shape

(20640, 10)

housing_df.head()

| | longitude | latitude | housing_median_age | total_rooms | total_bedrooms | population | households | median_income | median_house_value | ocea |
|---|-----------|----------|--------------------|-------------|----------------|------------|------------|---------------|--------------------|------|
| 0 | -122.23 | 37.88 | 41.0 | 880.0 | 129.0 | 322.0 | 126.0 | 8.3252 | 452600.0 | |
| 1 | -122.22 | 37.86 | 21.0 | 7099.0 | 1106.0 | 2401.0 | 1138.0 | 8.3014 | 358500.0 | |
| 2 | -122.24 | 37.85 | 52.0 | 1467.0 | 190.0 | 496.0 | 177.0 | 7.2574 | 352100.0 | |
| 3 | -122.25 | 37.85 | 52.0 | 1274.0 | 235.0 | 558.0 | 219.0 | 5.6431 | 341300.0 | |
| 4 | -122.25 | 37.85 | 52.0 | 1627.0 | 280.0 | 565.0 | 259.0 | 3.8462 | 342200.0 | |

Next steps:

View recommended plots

 $\verb|housing_df.tail()|\\$

| | longitude | latitude | housing_median_age | total_rooms | total_bedrooms | population |
|-------|-----------|----------|--------------------|-------------|----------------|------------|
| 20635 | -121.09 | 39.48 | 25.0 | 1665.0 | 374.0 | 845.0 |
| 20636 | -121.21 | 39.49 | 18.0 | 697.0 | 150.0 | 356.0 |
| 20637 | -121.22 | 39.43 | 17.0 | 2254.0 | 485.0 | 1007.0 |
| 20638 | -121.32 | 39.43 | 18.0 | 1860.0 | 409.0 | 741.0 |
| 20639 | -121.24 | 39.37 | 16.0 | 2785.0 | 616.0 | 1387.0 |
| 4 | | | | | | • |

housing_df.describe()

| | longitude | latitude | housing_median_age | total_rooms | total_bedrooms | рс |
|-------|--------------|--------------|--------------------|--------------|----------------|------|
| count | 20640.000000 | 20640.000000 | 20640.000000 | 20640.000000 | 20433.000000 | 2064 |
| mean | -119.569704 | 35.631861 | 28.639486 | 2635.763081 | 537.870553 | 14: |
| std | 2.003532 | 2.135952 | 12.585558 | 2181.615252 | 421.385070 | 110 |
| min | -124.350000 | 32.540000 | 1.000000 | 2.000000 | 1.000000 | |
| 25% | -121.800000 | 33.930000 | 18.000000 | 1447.750000 | 296.000000 | 78 |
| 50% | -118.490000 | 34.260000 | 29.000000 | 2127.000000 | 435.000000 | 11(|
| 75% | -118.010000 | 37.710000 | 37.000000 | 3148.000000 | 647.000000 | 17: |
| max | -114.310000 | 41.950000 | 52.000000 | 39320.000000 | 6445.000000 | 356 |
| 4 | | | | | | • |

```
housing_df.isnull().sum()
     longitude
     latitude
                             0
     housing_median_age
                             0
     total_rooms
                             0
     total bedrooms
                           207
     population
                             a
     households
                             0
     median income
     median_house_value
                             0
     ocean_proximity
                             a
     dtype: int64
\# Calculate the \% of missing data
housing df['total bedrooms'].isnull().sum()/housing df.shape[0] * 100
     1.002906976744186
from sklearn.impute import KNNImputer
# create a temporary copy of the dataset
housing_df_temp = housing_df.copy()
# retrieve columns with numerical data; will exclude the ocean_proximity column since the datatype is object; other columns are float64
columns_list = [col for col in housing_df_temp.columns if housing_df_temp[col].dtype != 'object']
# extract columns that contain at least one missing value
new_column_list = [col for col in housing_df_temp.loc[:, housing_df_temp.isnull().any()]]
# update temp dataframe with numeric columns that have empty values
housing_df_temp = housing_df_temp[new_column_list]
# initialize KNNImputer to impute missing data using machine learning
knn = KNNImputer(n_neighbors = 3)
# fit function trains the model
knn.fit(housing_df_temp)
# transform the data using the model
# applies the transformation model (ie knn) to data
array_Values = knn.transform(housing_df_temp)
# convert the array values to a dataframe with the appropriate column names
housing_df_temp = pd.DataFrame(array_Values, columns = new_column_list)
# confirm there are no columns with missing values
housing_df_temp.isnull().sum()
     total_bedrooms
     dtype: int64
```

```
# overlay the imputed column over the old column with missing values
```

loop through the list of columns and overlay each one for column_name in new_column_list:

 $housing_df[column_name] = housing_df_temp.replace(housing_df[column_name], housing_df[column_name])$

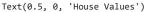
confirm columns no longer contain null data
housing_df.isnull().sum()

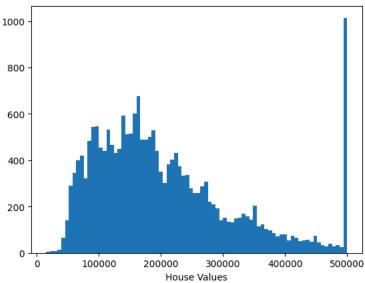
longitude latitude 0 housing_median_age 0 0 total_rooms total bedrooms 0 population 0 households 0 median_income 0 median_house_value 0 ocean_proximity 0 dtype: int64

Plot the distribution of the target variable (median_house_value) using a histogram

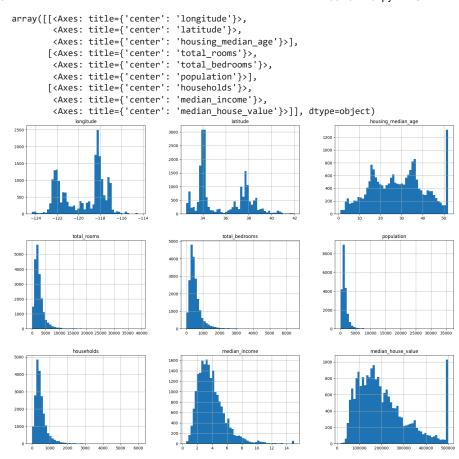
```
# bins->amount of columns
plt.hist(housing_df['median_house_value'], bins=80)
plt.xlabel("House Values")
```

We can see from the plot that the values of Median House Value are distributed normally with few outliers. # Most of the house are around 100,000-200,000 range





let's do histograms for the all the features to understand the data distributions # using housing_df as to not plot the encoded values for OCEAN_PROXIMITY housing_df.hist(bins=50, figsize=(20,15))



```
# Plot a graphical correlation matrix for each pair of columns in the dataframe
corr = housing_df.corr() # data frame correlation function
print(corr)
```

```
longitude latitude housing_median_age total_rooms \
longitude
                    1.000000 -0.924664
                                                 -0.108197
                                                               0.044568
                    -0.924664 1.000000
                                                              -0.036100
latitude
                                                  0.011173
housing median age
                   -0.108197 0.011173
                                                  1.000000
                                                              -0.361262
                                                               1.000000
                    0.044568 -0.036100
                                                 -0.361262
total_rooms
```

```
total_bedrooms
                     0.069260 -0.066658
                                                  -0.318998
                                                                0.927253
population
                     0.099773 -0.108785
                                                  -0.296244
                                                                0.857126
                                                  -0.302916
households
                     0.055310 -0.071035
                                                                0.918484
median_income
                    -0.015176 -0.079809
                                                  -0.119034
                                                                0.198050
median_house_value -0.045967 -0.144160
                                                   0.105623
                                                                0.134153
                    total_bedrooms
                                    population households median_income
longitude
                          0.069260
                                      0.099773
                                                  0.055310
                                                                -0.015176
                                     -0.108785
                                                 -0.071035
                         -0.066658
                                                                -0.079809
latitude
housing_median_age
                         -0.318998
                                     -0.296244
                                                 -0.302916
                                                                -0.119034
total_rooms
                          0.927253
                                      0.857126
                                                  0.918484
                                                                 0.198050
total_bedrooms
                          1.000000
                                      0.873910
                                                  0.974725
                                                                 -0.007682
population
                          0.873910
                                      1,000000
                                                  0.907222
                                                                 0.004834
households
                          0.974725
                                      0.907222
                                                  1.000000
                                                                 0.013033
median_income
                         -0.007682
                                      0.004834
                                                  0.013033
                                                                 1.000000
median_house_value
                                     -0.024650
                          0.049454
                                                  0.065843
                                                                 0.688075
                    median_house_value
longitude
                             -0.045967
latitude
                             -0.144160
housing_median_age
                              0.105623
total rooms
                              0.134153
```

0.049454

-0.024650

0.065843

0.688075

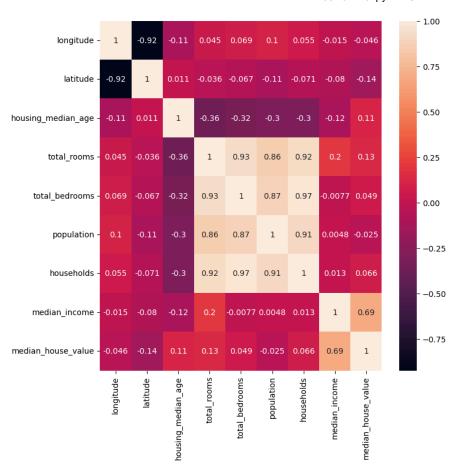
```
# make the heatmap larger in size
plt.figure(figsize = (8,8))
sns.heatmap(corr, annot=True)
plt.show()
```

total_bedrooms

median income

population

households

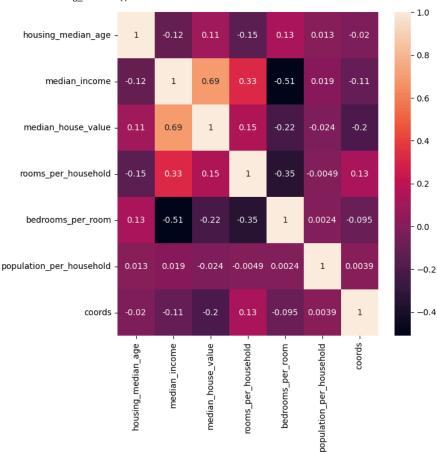


```
# Additionally we noted that several features (total_rooms,total_bedrooms,population,households) have very high correlation to one another,
# so it's interesting to find out if a removal of a few of them would have any affect on the model performance
# a new feature that is a ratio of the total rooms to households
housing_df['rooms_per_household'] = housing_df['total_rooms']/housing_df['households']
# a new feature that is a ratio of the total bedrooms to the total rooms
housing_df['bedrooms_per_room'] = housing_df['total_bedrooms']/housing_df['total_rooms']
# a new feature that is a ratio of the population to the households
housing_df['population_per_household']= housing_df['population']/housing_df['households']
# let's combine the latitude and longitude into 1
housing_df['coords'] = housing_df['longitude']/housing_df['latitude']
housing_df.info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 20640 entries, 0 to 20639
     Data columns (total 14 columns):
     # Column
                                   Non-Null Count Dtype
     ---
      0
          longitude
                                    20640 non-null
                                                   float64
         latitude
                                    20640 non-null float64
          housing_median_age
                                    20640 non-null float64
      2
      3
          total_rooms
                                    20640 non-null
                                                    float64
          total_bedrooms
                                    20640 non-null
      5
                                    20640 non-null
          population
                                                    float64
      6
          households
                                    20640 non-null
                                                   float64
          median_income
                                    20640 non-null float64
      8
          median_house_value
                                    20640 non-null
                                                    float64
                                    20640 non-null
          ocean_proximity
                                                    object
      10
         rooms_per_household
                                    20640 non-null
                                                   float64
         bedrooms per room
                                    20640 non-null
                                                   float64
```

population_per_household 20640 non-null float64

```
13 coords
                                   20640 non-null float64
     dtypes: float64(13), object(1)
     memory usage: 2.2+ MB
# remove total_rooms, households, total bedrooms, popluation, longitude, latitude
housing_df = housing_df.drop('total_rooms', axis=1)
housing_df = housing_df.drop('households', axis=1)
housing_df = housing_df.drop('total_bedrooms', axis=1)
housing_df = housing_df.drop('population', axis=1)
housing_df = housing_df.drop('longitude', axis=1)
housing_df = housing_df.drop('latitude', axis=1)
housing_df.info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 20640 entries, 0 to 20639
    Data columns (total 8 columns):
     # Column
                                   Non-Null Count Dtype
     0 housing_median_age
                                   20640 non-null float64
                                   20640 non-null float64
     1 median_income
         median_house_value
                                   20640 non-null float64
                                   20640 non-null object
         ocean_proximity
         rooms_per_household
                                   20640 non-null float64
                                   20640 non-null float64
         bedrooms_per_room
         population_per_household 20640 non-null float64
                                   20640 non-null float64
         coords
     dtypes: float64(7), object(1)
     memory usage: 1.3+ MB
#Heatmap after removing correlation
corr = housing_df.corr()
#make the heatmap larger in size
plt.figure(figsize = (7,7))
sns.heatmap(corr, annot=True)
plt.show()
```

<ipython-input-19-1264607259b1>:3: FutureWarning: The default value of numeric_only in
 corr = housing_df.corr()



```
#Encoding categorical data
# Most ML algorithms can only learn from numeric data (it's all Math) so categorical data must be encoded (i.e. converted) to numeric data
# Let's review our data types again; showing that ocean_proximity is the only categorical data
housing_df.info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 20640 entries, 0 to 20639
     Data columns (total 8 columns):
                                    Non-Null Count Dtype
         Column
     #
     ---
     0
          \verb|housing_median_age|
                                    20640 non-null float64
                                    20640 non-null float64
      1
          median\_income
      2
          median_house_value
                                    20640 non-null float64
          ocean_proximity
                                    20640 non-null
                                                    object
      4
          rooms_per_household
                                    20640 non-null
                                                    float64
      5
          bedrooms_per_room
                                    20640 non-null
                                                    float64
          population_per_household
                                    20640 non-null float64
          coords
                                    20640 non-null float64
     dtypes: float64(7), object(1)
     memory usage: 1.3+ MB
# let's see the unique categories for OCEAN_PROXIMITY
housing_df.ocean_proximity.unique()
     array(['NEAR BAY', '<1H OCEAN', 'INLAND', 'NEAR OCEAN', 'ISLAND'],
           dtype=object)
# let's count
housing_df["ocean_proximity"].value_counts()
     <1H OCEAN
     INLAND
```

NEAR OCEAN 2658 NEAR BAY 2290 ISLAND 5

Name: ocean_proximity, dtype: int64

Let's see how the Panda's get_dummies() function works (generates new columns based on the possible options)
print(pd.get_dummies(housing_df['ocean_proximity']))

| | <1H OCEAN | INLAND | ISLAND | NEAR BAY | NEAR OCEAN |
|-------|-----------|--------|--------|----------|------------|
| 0 | 0 | 0 | 0 | 1 | 0 |
| 1 | 0 | 0 | 0 | 1 | 0 |
| 2 | 0 | 0 | 0 | 1 | 0 |
| 3 | 0 | 0 | 0 | 1 | 0 |
| 4 | 0 | 0 | 0 | 1 | 0 |
| | | | | | |
| 20635 | 0 | 1 | 0 | 0 | 0 |
| 20636 | 0 | 1 | 0 | 0 | 0 |
| 20637 | 0 | 1 | 0 | 0 | 0 |
| 20638 | 0 | 1 | 0 | 0 | 0 |
| 20639 | 0 | 1 | 0 | 0 | 0 |

[20640 rows x 5 columns]

let's replace the OCEAN_PROXIMITY column using get_dummies()
housing_df_encoded = pd.get_dummies(data=housing_df, columns=['ocean_proximity'])

print the first few observations; notice the old OCEAN_PROXIMITY column is gone housing_df_encoded.head()

| | housing_median_age | median_income | median_house_value | rooms_per_household | bedrooms |
|---|--------------------|---------------|--------------------|---------------------|----------|
| 0 | 41.0 | 8.3252 | 452600.0 | 6.984127 | |
| 1 | 21.0 | 8.3014 | 358500.0 | 6.238137 | |
| 2 | 52.0 | 7.2574 | 352100.0 | 8.288136 | |
| 3 | 52.0 | 5.6431 | 341300.0 | 5.817352 | |
| 4 | 52.0 | 3.8462 | 342200.0 | 6.281853 | |

#Train the model

import sklearn

from sklearn.model_selection import train_test_split

remove spaces from column names and convert all to lowercase and remove special characters as it could cause issues in the future
housing_df_encoded.columns = [c.lower().replace(' ', '_').replace('<', '_') for c in housing_df_encoded.columns]</pre>

Split target variable and feature variables

y = housing_df_encoded['median_house_value']

print(X)

| | housing_median_age | median_income | bedrooms_per_room | ١ |
|-------|--------------------|---------------|-------------------|---|
| 0 | 41.0 | 8.3252 | 0.146591 | |
| 1 | 21.0 | 8.3014 | 0.155797 | |
| 2 | 52.0 | 7.2574 | 0.129516 | |
| 3 | 52.0 | 5.6431 | 0.184458 | |
| 4 | 52.0 | 3.8462 | 0.172096 | |
| | | | | |
| 20635 | 25.0 | 1.5603 | 0.224625 | |
| 20636 | 18.0 | 2.5568 | 0.215208 | |
| 20637 | 17.0 | 1.7000 | 0.215173 | |
| 20638 | 18.0 | 1.8672 | 0.219892 | |
| 20639 | 16.0 | 2.3886 | 0.221185 | |
| | | | | |

```
population_per_household
                                  coords ocean_proximity__1h_ocean \
                       2.555556 -3.226769
0
1
                       2.109842 -3.228209
                                                                   0
2
                       2.802260 -3.229590
                                                                   0
                       2.547945 -3.229855
3
                                                                   0
4
                       2.181467 -3.229855
                                                                   0
```

```
Actual
                         Predicted
      20046
             47700.0 103743.050896
      3024
             45800.0
                      92451.250932
      15663 500001.0 219490.963844
      20484 218600.0 283292.425471
      9814
            278000.0 244228.861575
      17505 237500.0 210121.340663
      13512
             67300.0 74907.098235
      10842 218400.0 216609.962950
      16559 119400.0 127975.072923
      5786 209800.0 202803.254310
     6192 rows × 2 columns
 \# Determine accuracy uisng R^2
\# R^2: R squared is another way to evaluate the performance of a regression model.
\mbox{\tt\#} 1, means that the model is perfect and 0 means the the model will perform poorly.
r2_reg_model_test = round(reg_model.score(X_test, y_test),2)
print("R^2 Test: {}".format(r2_reg_model_test))
     R^2 Test: 0.56
# try another machine learning algorithm : Randorm Forest
# Use scikit-learn's Randorm Forest to train the model on both the training and evaluate it on the test sets
from sklearn.ensemble import RandomForestRegressor
# Create a regressor using all the feature variables
rf_model = RandomForestRegressor(n_estimators=10,random_state=10)
# Train the model using the training sets
rf_model.fit(X_train, y_train)
                       RandomForestRegressor
     RandomForestRegressor(n_estimators=10, random_state=10)
#run the predictions on the training and testing data
y_rf_pred_test = rf_model.predict(X_test)
#compare the actual values (ie, target) with the values predicted by the model
rf_pred_test_df = pd.DataFrame({'Actual': y_test, 'Predicted': y_rf_pred_test})
rf_pred_test_df
```

```
Actual Predicted
                             丽
20046
        47700.0
                   47840.0
                             16
 3024
        45800.0
                   92680.0
15663 500001.0
                  446000.5
20484 218600.0
                  265320.0
                  240800.0
 9814
       278000.0
17505 237500.0
                  231680.1
13512
        67300.0
                   69680.0
10842 218400.0
                  203930.0
16559 119400.0
                  126170.0
 5786 209800.0
                  198160.0
6192 rows × 2 columns
```

```
# Determine accuracy uisng R^2
from sklearn.metrics import r2_score, mean_squared_error

score = r2_score(y_test, y_rf_pred_test)

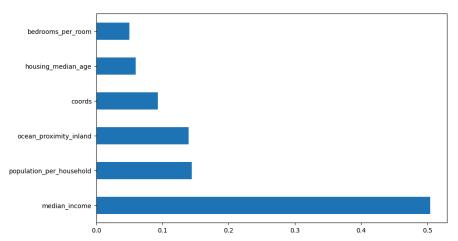
print("R^2 - {}%".format(round(score, 2) *100))

    R^2 - 75.0%

# Determine RMSE - Root Mean Squared Error on the test data
print('RMSE on test data: ', mean_squared_error(y_test, y_rf_pred_test)**(0.5))

    RMSE on test data: 57289.11495447338

# Determine feature importance - random forest algorithm is that it gives you the 'feature importance' for all the variables in the data
# plot the 6 most important features
plt.figure(figsize=(10,6))
feat_importances = pd.Series(rf_model.feature_importances_, index = X_train.columns)
feat_importances.nlargest(6).plot(kind='barh');
```



```
# training data with 5 most important features
train_x_if = X_train[['bedrooms_per_room', 'housing_median_age', 'coords', 'ocean_proximity_inland', 'population_per_household', 'median_inco
test_x_if = X_test[['bedrooms_per_noom', 'housing_median_age', 'coords', 'ocean_proximity_inland', 'population_per_household', 'median_income
# create an object of the RandfomForestRegressor Model
rf_model_if = RandomForestRegressor(n_estimators=10, random_state=10)
# fit the model with the training data
rf_model_if.fit(train_x_if, y_train)
# predict the target on the test data
predict_test_with_if = rf_model_if.predict(test_x_if)
# Root Mean Squared Error on the train and test data
print('RMSE on test data: ', mean_squared_error(y_test, predict_test_with_if)**(0.5))
     RMSE on test data: 57366.910692045196
pip install xgboost
     Requirement already satisfied: xgboost in /usr/local/lib/python3.10/dist-packages (2.0.3)
     Requirement already satisfied: numpy in /usr/local/lib/python3.10/dist-packages (from xgboost) (1.25.2)
     Requirement already satisfied: scipy in /usr/local/lib/python3.10/dist-packages (from xgboost) (1.11.4)
# Extreme Gradient Boosting (XGBoost) is an open-source library that provides an efficient and effective implementation of the gradient boo
# Use the scikit-learn wrapper classes: XGBRegressor and XGBClassifier.
# try another machine learning algorithm : XGBoost
from xgboost import XGBRegressor
xgb_model = XGBRegressor()
# Train the model using the training sets
xgb_model.fit(X_train, y_train)
                                      XGBRegressor
```

```
XGBRegressor

XGBRegressor(base_score=None, booster=None, callbacks=None, colsample_bylevel=None, colsample_bynode=None, colsample_bytree=None, device=None, early_stopping_rounds=None, enable_categorical=False, eval_metric=None, feature_types=None, gamma=None, grow_policy=None, importance_type=None, interaction_constraints=None, learning_rate=None, max_bin=None, max_cat_threshold=None, max_cat_to_onehot=None, max_delta_step=None, max_depth=None, max_leaves=None, min_child_weight=None, missing=nan, monotone_constraints=None, multi_strategy=None, n_estimators=None, n_jobs=None, num_parallel_tree=None, random_state=None, ...)
```

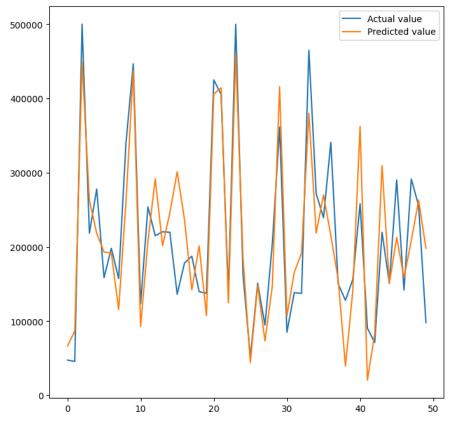
```
#run the predictions on the training and testing data
y_xgb_pred_test = xgb_model.predict(X_test)

#compare the actual values (ie, target) with the values predicted by the model
xgb_pred_test_df = pd.DataFrame({'Actual': y_test, 'Predicted': y_xgb_pred_test})
xgb_pred_test_df
```

| | Actual | Predicted | Ħ | | |
|-----------------------|----------|---------------|-----|--|--|
| 20046 | 47700.0 | 66404.914062 | ıl. | | |
| 3024 | 45800.0 | 86681.765625 | | | |
| 15663 | 500001.0 | 449666.093750 | | | |
| 20484 | 218600.0 | 262887.281250 | | | |
| 9814 | 278000.0 | 218322.796875 | | | |
| | | | | | |
| 17505 | 237500.0 | 227466.500000 | | | |
| 13512 | 67300.0 | 64712.433594 | | | |
| 10842 | 218400.0 | 218226.109375 | | | |
| 16559 | 119400.0 | 123181.968750 | | | |
| 5786 | 209800.0 | 227016.828125 | | | |
| 6192 rows × 2 columns | | | | | |

```
fig= plt.figure(figsize=(8,8))
xgb_pred_test_df = xgb_pred_test_df.reset_index()
xgb_pred_test_df = xgb_pred_test_df.drop(['index'],axis=1)
plt.plot(xgb_pred_test_df[:50])
plt.legend(['Actual value','Predicted value'])
```

<matplotlib.legend.Legend at 0x783b868ebb20>



```
# Determine mean square error and root mean square error
from sklearn.metrics import mean_squared_error
import math
mse = mean_squared_error(y_test, y_xgb_pred_test)
rmse = math.sqrt(mean_squared_error(y_test, y_xgb_pred_test))
print(mse)
print(rmse)
     2939759040.9080276
     54219.5448238735
# Calculate mean absolute error(any large error)
from sklearn.metrics import mean_absolute_error
print(mean_absolute_error(y_test, y_xgb_pred_test))
     36285.050324826894
# We can build and score a model on multiple folds using cross-validation
from sklearn.model_selection import RepeatedKFold
from sklearn.model_selection import cross_val_score
# define model evaluation method
cv = RepeatedKFold(n_splits=10, n_repeats=3, random_state=1)
scores = cross_val_score(xgb_model, X, y, scoring='r2', error_score='raise', cv=cv, n_jobs=-1, verbose=1)
#average of all the r2 scores across runs
print(scores.mean())
     [Parallel(n_jobs=-1)]: Using backend LokyBackend with 2 concurrent workers.
     0.7850403811484551
     [Parallel(n_jobs=-1)]: Done 30 out of 30 | elapsed: 12.3s finished
# determine hyperparameter available for tuning
xgb_model.get_params()
     {'objective': 'reg:squarederror',
      'base_score': None,
      'booster': None,
      'callbacks': None,
```