# **Estimating Housing Values With Crime Incident Reports**

CMPE 255-01 Team8

Professor: David C. Anastasiu

Pavana Srinivasadeshika Achar, Aartee Kasliwal, Chia-Chin Wu

Project Github <a href="https://github.com/Aartee/housing-price-prediction">https://github.com/Aartee/housing-price-prediction</a>

# **Agenda**

- Introduction and Motivation
- Datasets
- Data cleaning, pre-processing and feature selection
- Regression models used
- Evaluation
- Conclusion
- Demo

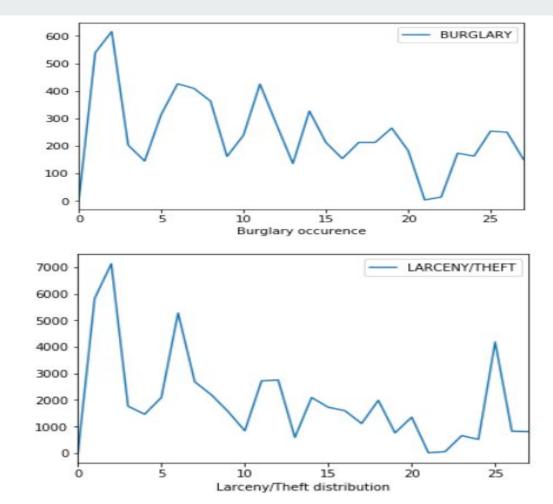
#### Introduction

This project intends to find correlations of the criminal incidents with the house values and predict the price for a particular house based on the crime zone or zip code.

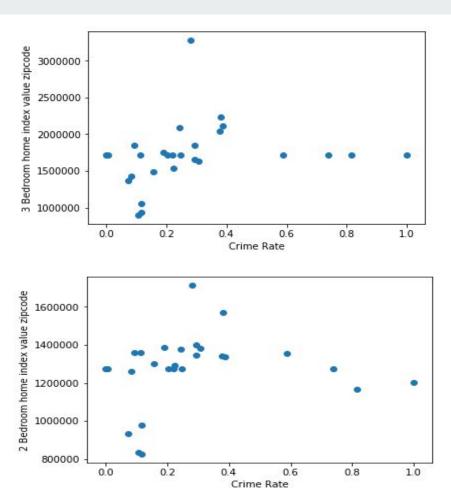
We have used San Francisco police department incidents dataset for criminal reports and Zillow's house value index dataset for San Francisco house values

In this prototype, we plan to use the Zillow's dataset for training the module and test the model with listings from other agencies like Redfin and compare the prices.

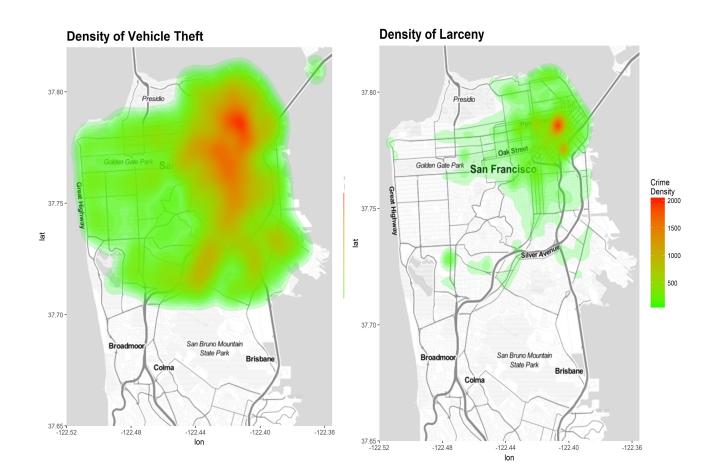
#### **Datasets**



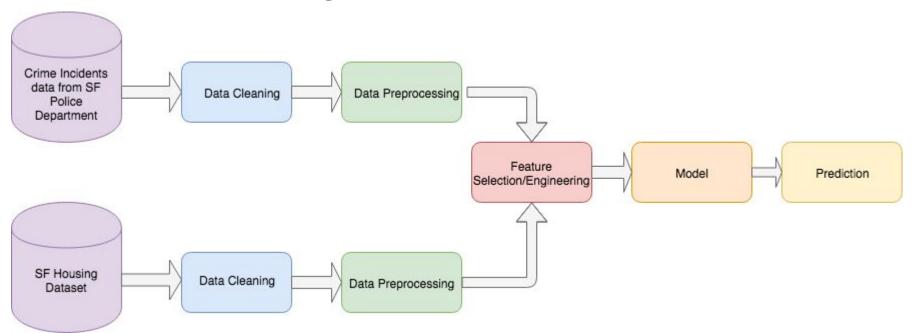
#### **Datasets**



### **Visualization**



# **Model Flow Diagram**



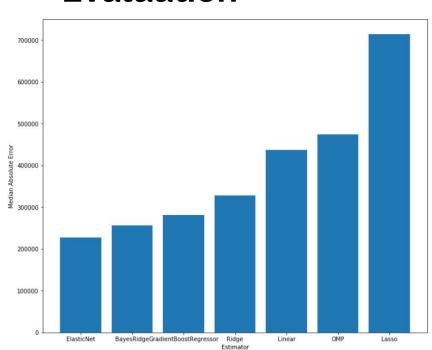
# Cleaning, Pre-Processing and Feature Selection

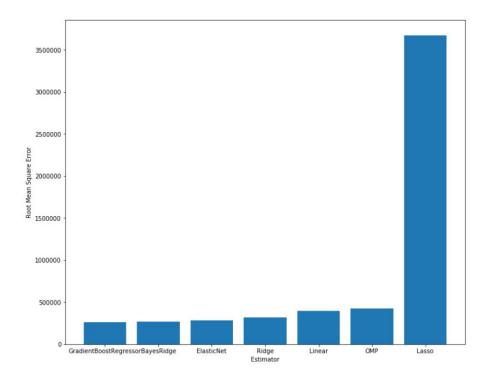
- The feature values for crime categories, latitude and longitude are extracted.
- We used uszipcode module's ZipcodeSearchEngine function to extract the zip code value for each of these location features.
- These rows are grouped by zip codes.
- The categories are aggregated for each group.
- This data :
  - is transformed to have the count features of crime categories associated with zipcode on the rows.
  - is further cleansed for removing NaN values.
  - The dataset is normalized using min-max normalization technique so that each value is relative to its own column. This way a huge value in a particular feature will not be influencing the overall analysis.

## **Regression Models Used**

- Seven regression algorithms were implemented and evaluated to predict the housing values.
- The Gradient Boost Regressor, Linear Regressor and ELastic Net resulted with least mean absolute error value.
- other regression models used are:
  - Lasso
  - Linear Regressor
  - Ridgde Estimator
  - OMP Regressor
- The Gradient Boost Regressor was chosen to build the model.

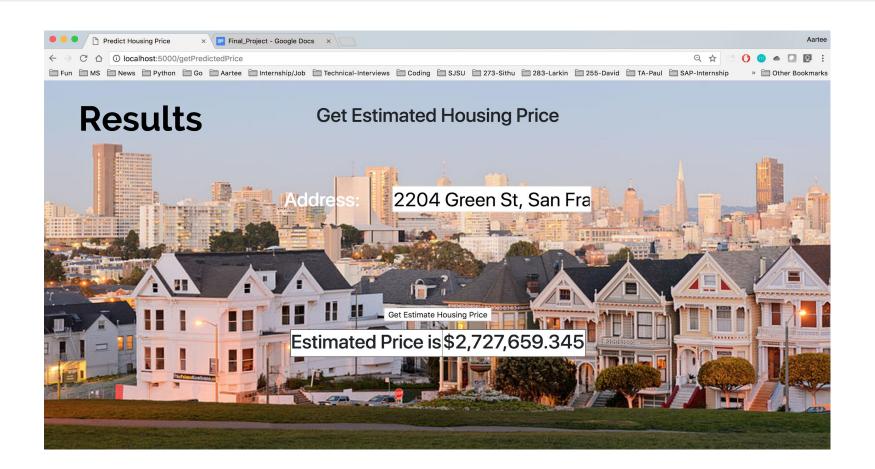
### **Evaluation**



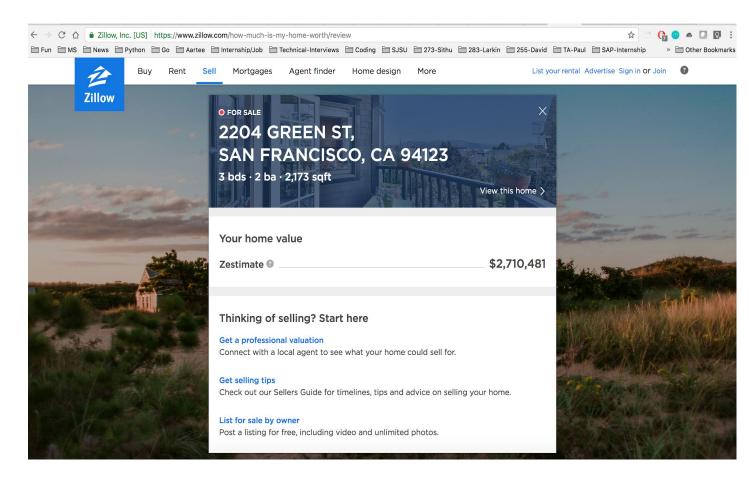


# **Evaluation**

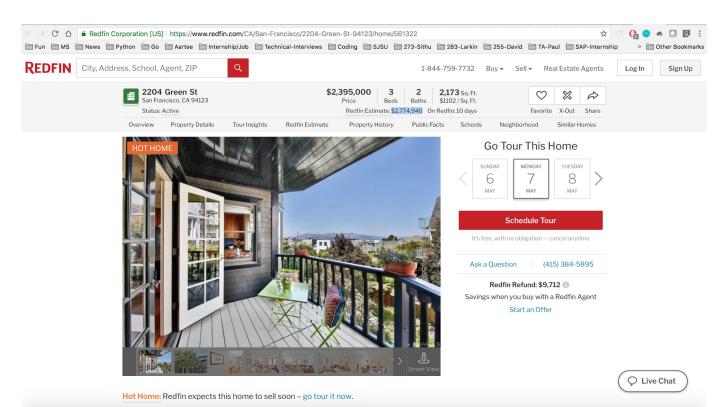
Regression Model	RMSE	MAE
ElasticNet	\$278,851.437	\$227,396.589
BayesRidge	\$267,999.561	\$255,789.832
Gradient Boosted Regressor	\$330,144.639	\$369,359.641
Ridge Estimator	\$318,868.649	\$327,853.379
Linear	\$398,856.522	\$437,108.744
OMP	\$422,020.877	\$473,896.455
Lasso	\$3,671,197.058	\$713,956.100



#### Results



#### Results



#### Conclusion

This project is a predictive model to solve a regression problem of predicting house sales value based on the crime rates of the neighborhood.

We used San Francisco crime incidents dataset for the criminal records dataset and the Zillow house value dataset for housing data set.

We performed data cleaning, data preprocessing tasks before applying the model. We trained and evaluated a handful of regression models to choose the best applicable algorithm.

We used a basic front end web page to accept the address of the house and predicted the rate for the house. The results were compared with other real estate agency websites like Redfin and Zillow

#### References

- [1] "Linear Regression Example scikit-learn 0.19.1 documentation."
- http://scikit-learn.org/stable/auto\_examples/linear\_model/plot\_ols.html. Accessed 6 May. 2018.
- [2] "1.11. Ensemble methods scikit-learn 0.19.1 documentation." <a href="http://scikit-learn.org/stable/modules/ensemble.html">http://scikit-learn.org/stable/modules/ensemble.html</a>. Accessed 6 May. 2018.
- [3] "Plot Ridge coefficients as a function of the regularization scikit-learn ...."
- http://scikit-learn.org/stable/auto\_examples/linear\_model/plot\_ridge\_path.html. Accessed 6 May. 2018.
- [4] "Orthogonal Matching Pursuit scikit-learn 0.19.1 documentation."
- http://scikit-learn.org/stable/auto\_examples/linear\_model/plot\_omp.html. Accessed 6 May. 2018.
- [5] "Bayesian Ridge Regression scikit-learn 0.19.1 documentation."
- http://scikit-learn.org/stable/auto\_examples/linear\_model/plot\_bayesian\_ridge.html. Accessed 6 May. 2018.
- [6] "Lasso and Elastic Net scikit-learn 0.19.1 documentation."
- http://scikit-learn.org/stable/auto\_examples/linear\_model/plot\_lasso\_coordinate\_descent\_path.html. Accessed 6 May. 2018.