

0. Importing libraries and dataset

```
import numpy as np
import pandas as pd
import matplotlib
import matplotlib.pyplot as plt
import warnings
warnings.filterwarnings( "ignore", module = "seaborn\.*" )
import seaborn as sns
from scipy import stats
from sklearn.feature_selection import SelectKBest,chi2

dataset = pd.read_csv('PEP1.csv')
```

1. Understanding the dataset

#a. Identify the shape of the dataset

```
dataset.shape
```

```
(1460, 81)
```

#b. Identify variables with null values

```
dataset.isnull().any()
```

```
Id                False
MSSubClass        False
MSZoning          False
LotFrontage       True
LotArea           False
...
MoSold            False
YrSold            False
SaleType          False
SaleCondition     False
SalePrice         False
Length: 81, dtype: bool
```

#c. Identify variables with unique values

```
dataset.nunique()
```

```
Id                1460
MSSubClass        15
MSZoning          5
LotFrontage       110
LotArea           1073
...
MoSold            12
YrSold            5
SaleType          9
SaleCondition     6
SalePrice         663
Length: 81, dtype: int64
```

2. Generating seperate datasets for numerical and categorical variables

```
num_cols =
['Id', 'MSSubClass', 'LotFrontage', 'LotArea', 'OverallQual', 'OverallCond',
'YearBuilt', 'YearRemodAdd', 'MasVnrArea', 'BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF', 'TotalBsmtSF', '1stFlrSF', '2ndFlrSF', 'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath', 'FullBath', 'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr', 'TotRmsAbvGrd', 'Fireplaces', 'GarageYrBlt', 'GarageCars', 'GarageArea', 'WoodDeckSF', 'OpenPorchSF', 'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'MiscVal', 'MoSold', 'YrSold', 'SalePrice']
```

```
num_var = dataset[num_cols].copy()
```

```
cat_var = dataset.drop(columns = num_cols).copy()
```

```
num_var.head()
```

	Id	MSSubClass	LotFrontage	LotArea	OverallQual	OverallCond
YearBuilt \						
0	1	60	65.0	8450	7	5
2003						
1	2	20	80.0	9600	6	8
1976						
2	3	60	68.0	11250	7	5
2001						
3	4	70	60.0	9550	7	5
1915						
4	5	60	84.0	14260	8	5
2000						

	YearRemodAdd	MasVnrArea	BsmtFinSF1	...	WoodDeckSF	OpenPorchSF
\						
0	2003	196.0	706	...	0	61
1	1976	0.0	978	...	298	0
2	2002	162.0	486	...	0	42
3	1970	0.0	216	...	0	35
4	2000	350.0	655	...	192	84

	EnclosedPorch	3SsnPorch	ScreenPorch	PoolArea	MiscVal	MoSold
YrSold \						
0	0	0	0	0	0	2
2008						
1	0	0	0	0	0	5
2007						
2	0	0	0	0	0	9
2008						
3	272	0	0	0	0	2
2006						

```
4          0          0          0          0          0          12
2008
```

```
    SalePrice
0    208500
1    181500
2    223500
3    140000
4    250000
```

```
[5 rows x 38 columns]
```

```
cat_var.head()
```

```
    MSZoning Street Alley LotShape LandContour Utilities LotConfig
LandSlope \
0      RL   Pave   NaN      Reg      Lvl     AllPub   Inside
Gtl
1      RL   Pave   NaN      Reg      Lvl     AllPub    FR2
Gtl
2      RL   Pave   NaN      IR1      Lvl     AllPub   Inside
Gtl
3      RL   Pave   NaN      IR1      Lvl     AllPub   Corner
Gtl
4      RL   Pave   NaN      IR1      Lvl     AllPub    FR2
Gtl
```

```
    Neighborhood Condition1 ... GarageType GarageFinish GarageQual
GarageCond \
0    CollgCr      Norm ...   Attchd      RFn      TA
TA
1    Veenker      Feedr ...   Attchd      RFn      TA
TA
2    CollgCr      Norm ...   Attchd      RFn      TA
TA
3    Crawfor      Norm ...   Detchd      Unf      TA
TA
4    NoRidge      Norm ...   Attchd      RFn      TA
TA
```

```
    PavedDrive PoolQC Fence MiscFeature SaleType SaleCondition
0            Y    NaN  NaN          NaN      WD      Normal
1            Y    NaN  NaN          NaN      WD      Normal
2            Y    NaN  NaN          NaN      WD      Normal
3            Y    NaN  NaN          NaN      WD    Abnorml
4            Y    NaN  NaN          NaN      WD      Normal
```

```
[5 rows x 43 columns]
```

3. EDA of numerical variables

```
num_var.isnull().any()
```

```
Id                False
MSSubClass        False
LotFrontage       True
LotArea           False
OverallQual       False
OverallCond       False
YearBuilt         False
YearRemodAdd      False
MasVnrArea        True
BsmtFinSF1        False
BsmtFinSF2        False
BsmtUnfSF         False
TotalBsmtSF       False
1stFlrSF          False
2ndFlrSF          False
LowQualFinSF      False
GrLivArea         False
BsmtFullBath      False
BsmtHalfBath      False
FullBath          False
HalfBath          False
BedroomAbvGr      False
KitchenAbvGr      False
TotRmsAbvGrd      False
Fireplaces        False
GarageYrBlt       True
GarageCars        False
GarageArea        False
WoodDeckSF        False
OpenPorchSF       False
EnclosedPorch     False
3SsnPorch         False
ScreenPorch       False
PoolArea          False
MiscVal           False
MoSold            False
YrSold            False
SalePrice         False
dtype: bool
```

#a. Missing value treatment

```
num_mean_na = ['LotFrontage', 'MasVnrArea']
for col1 in num_mean_na:
    num_var[col1] = num_var[col1].fillna(num_var[col1].mean())
for row in range(len(num_var['GarageYrBlt'])):
    if pd.isnull(num_var.loc[row, 'GarageYrBlt']):
```

```

num_var.loc[row, 'GarageYrBlt'] = num_var.loc[row, 'YearBuilt']
num_var.isnull().any()

```

```

Id                False
MSSubClass        False
LotFrontage       False
LotArea           False
OverallQual       False
OverallCond       False
YearBuilt         False
YearRemodAdd      False
MasVnrArea        False
BsmtFinSF1        False
BsmtFinSF2        False
BsmtUnfSF         False
TotalBsmtSF       False
1stFlrSF          False
2ndFlrSF          False
LowQualFinSF      False
GrLivArea         False
BsmtFullBath      False
BsmtHalfBath      False
FullBath          False
HalfBath          False
BedroomAbvGr     False
KitchenAbvGr     False
TotRmsAbvGrd     False
Fireplaces       False
GarageYrBlt       False
GarageCars        False
GarageArea        False
WoodDeckSF        False
OpenPorchSF       False
EnclosedPorch     False
3SsnPorch         False
ScreenPorch       False
PoolArea          False
MiscVal           False
MoSold            False
YrSold            False
SalePrice         False
dtype: bool

```

```

#b. Identify the skewness and distribution
num_var.skew()

```

```

Id                0.000000
MSSubClass        1.407657
LotFrontage       2.384950
LotArea          12.207688
OverallQual       0.216944

```

```

OverallCond      0.693067
YearBuilt        -0.613461
YearRemodAdd     -0.503562
MasVnrArea       2.676412
BsmtFinSF1       1.685503
BsmtFinSF2       4.255261
BsmtUnfSF        0.920268
TotalBsmtSF      1.524255
1stFlrSF         1.376757
2ndFlrSF         0.813030
LowQualFinSF     9.011341
GrLivArea        1.366560
BsmtFullBath     0.596067
BsmtHalfBath     4.103403
FullBath         0.036562
HalfBath         0.675897
BedroomAbvGr     0.211790
KitchenAbvGr     4.488397
TotRmsAbvGrd     0.676341
Fireplaces       0.649565
GarageYrBlt      -0.694329
GarageCars       -0.342549
GarageArea       0.179981
WoodDeckSF       1.541376
OpenPorchSF      2.364342
EnclosedPorch    3.089872
3SsnPorch       10.304342
ScreenPorch      4.122214
PoolArea        14.828374
MiscVal         24.476794
MoSold           0.212053
YrSold           0.096269
SalePrice       1.882876
dtype: float64

```

```
num_var.drop(columns=['Id']).describe()
```

	MSSubClass	LotFrontage	LotArea	OverallQual
OverallQual \				
count	1460.000000	1460.000000	1460.000000	1460.000000
mean	56.897260	70.049958	10516.828082	6.099315
std	42.300571	22.024023	9981.264932	1.382997
min	20.000000	21.000000	1300.000000	1.000000
25%	20.000000	60.000000	7553.500000	5.000000
50%	50.000000	70.049958	9478.500000	6.000000

75%	70.000000	79.000000	11601.500000	7.000000
6.000000				
max	190.000000	313.000000	215245.000000	10.000000
9.000000				

	YearBuilt	YearRemodAdd	MasVnrArea	BsmtFinSF1
BsmtFinSF2	...			
count	1460.000000	1460.000000	1460.000000	1460.000000
1460.000000	...			
mean	1971.267808	1984.865753	103.685262	443.639726
46.549315	...			
std	30.202904	20.645407	180.569112	456.098091
161.319273	...			
min	1872.000000	1950.000000	0.000000	0.000000
0.000000	...			
25%	1954.000000	1967.000000	0.000000	0.000000
0.000000	...			
50%	1973.000000	1994.000000	0.000000	383.500000
0.000000	...			
75%	2000.000000	2004.000000	164.250000	712.250000
0.000000	...			
max	2010.000000	2010.000000	1600.000000	5644.000000
1474.000000	...			

	WoodDeckSF	OpenPorchSF	EnclosedPorch	3SsnPorch
ScreenPorch	\			
count	1460.000000	1460.000000	1460.000000	1460.000000
1460.000000				
mean	94.244521	46.660274	21.954110	3.409589
15.060959				
std	125.338794	66.256028	61.119149	29.317331
55.757415				
min	0.000000	0.000000	0.000000	0.000000
0.000000				
25%	0.000000	0.000000	0.000000	0.000000
0.000000				
50%	0.000000	25.000000	0.000000	0.000000
0.000000				
75%	168.000000	68.000000	0.000000	0.000000
0.000000				
max	857.000000	547.000000	552.000000	508.000000
480.000000				

	PoolArea	MiscVal	MoSold	YrSold
SalePrice				
count	1460.000000	1460.000000	1460.000000	1460.000000
1460.000000				
mean	2.758904	43.489041	6.321918	2007.815753
180921.195890				
std	40.177307	496.123024	2.703626	1.328095

```

79442.502883
min      0.000000      0.000000      1.000000      2006.000000
34900.000000
25%      0.000000      0.000000      5.000000      2007.000000
129975.000000
50%      0.000000      0.000000      6.000000      2008.000000
163000.000000
75%      0.000000      0.000000      8.000000      2009.000000
214000.000000
max      738.000000    15500.000000     12.000000     2010.000000
755000.000000

```

```
[8 rows x 37 columns]
```

```
#c. Identify significant variables using a correlation matrix
```

```

f = plt.figure(figsize=(20,20))
corr = num_var.drop(columns=['Id']).corr()
corr.style.background_gradient(cmap='coolwarm',vmin=-1,vmax=1)

```

```
<pandas.io.formats.style.Styler at 0x1fa7bde2d10>
```

```
<Figure size 1440x1440 with 0 Axes>
```

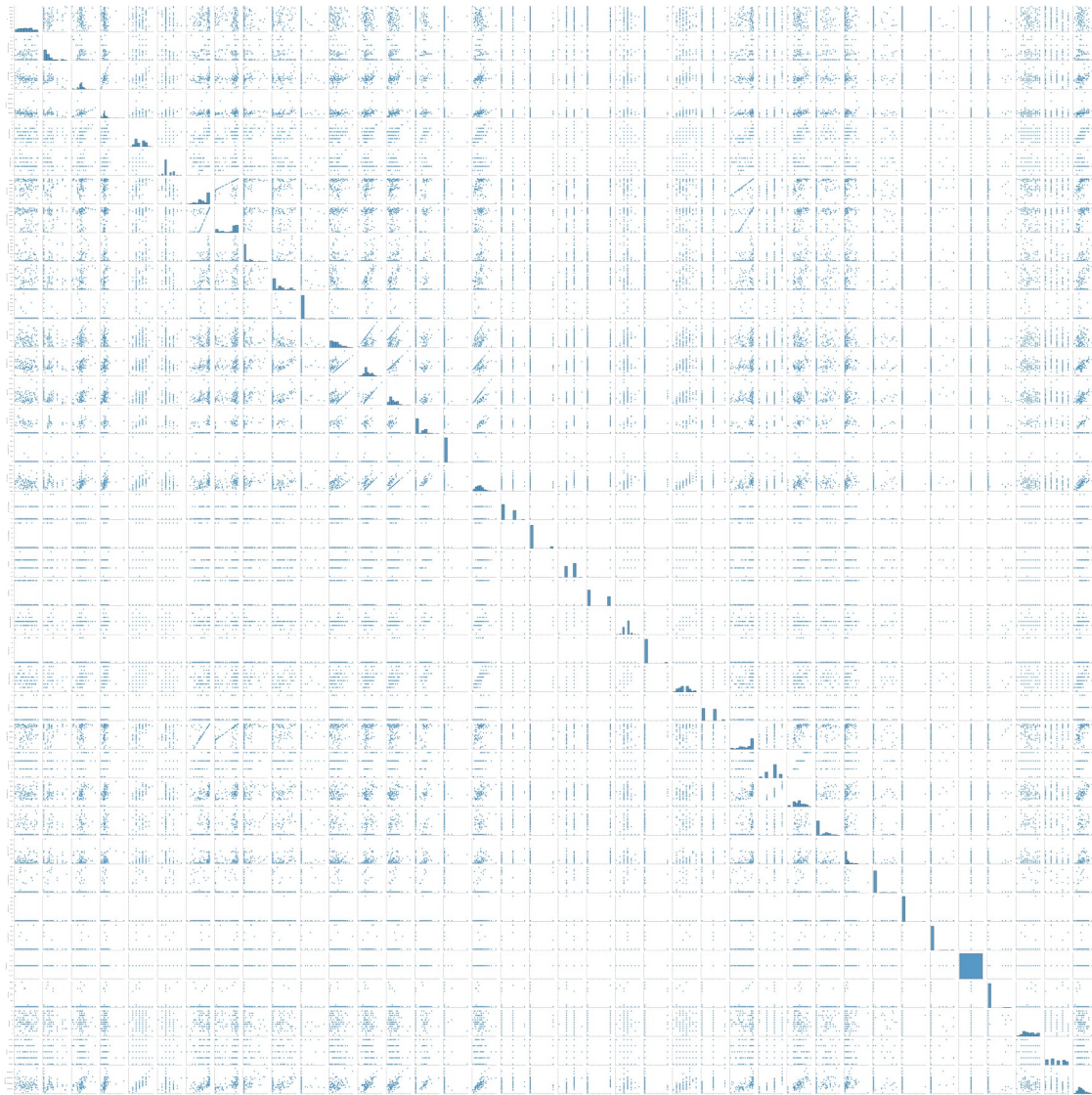
```
#d. Pair plot for distribution and density
```

```

sns.pairplot(num_var.sample(100))
#we can zoom in and observe the relationship between any two variables

```

```
<seaborn.axisgrid.PairGrid at 0x1fa7bf6cc40>
```

3. EDA of categorical variables

#a. Missing value treatment

```
cat_none_na =
['Alley', 'MasVnrType', 'FireplaceQu', 'PoolQC', 'MiscFeature']
cat_mode_na =
['BsmtQual', 'BsmtCond', 'BsmtExposure', 'BsmtFinType1', 'BsmtFinType2', 'Electrical', 'GarageType', 'GarageFinish', 'GarageQual', 'GarageCond', 'Fence']
for col2 in cat_none_na:
    cat_var[col2] = cat_var[col2].fillna('None')
for col3 in cat_mode_na:
    cat_var[col3] = cat_var[col3].fillna(cat_var[col3].mode()[0])
cat_var.isnull().any()
```

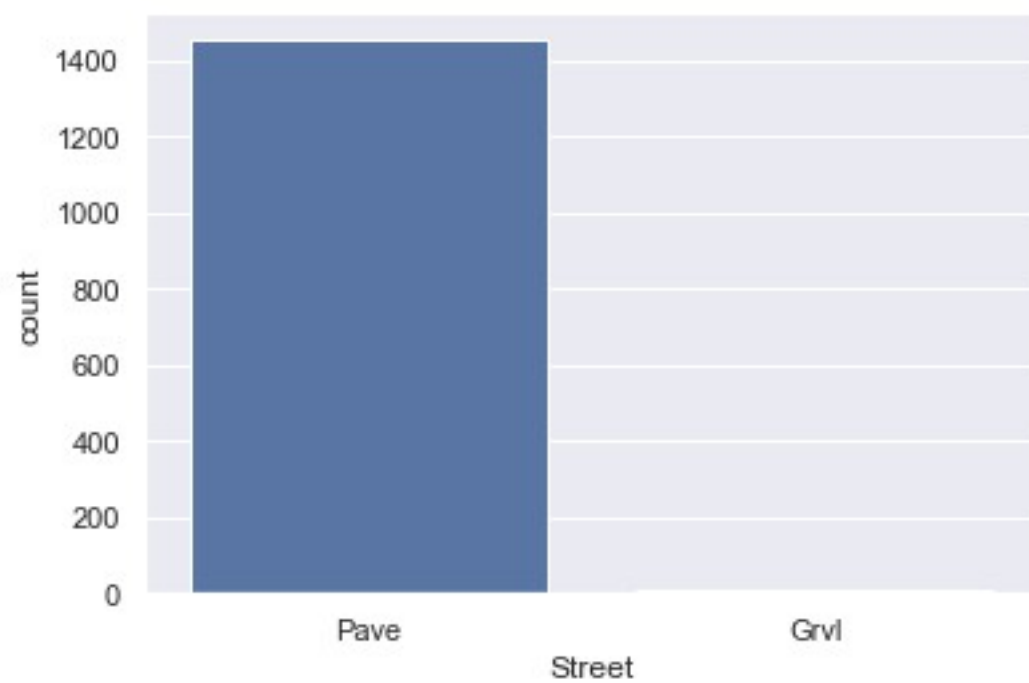
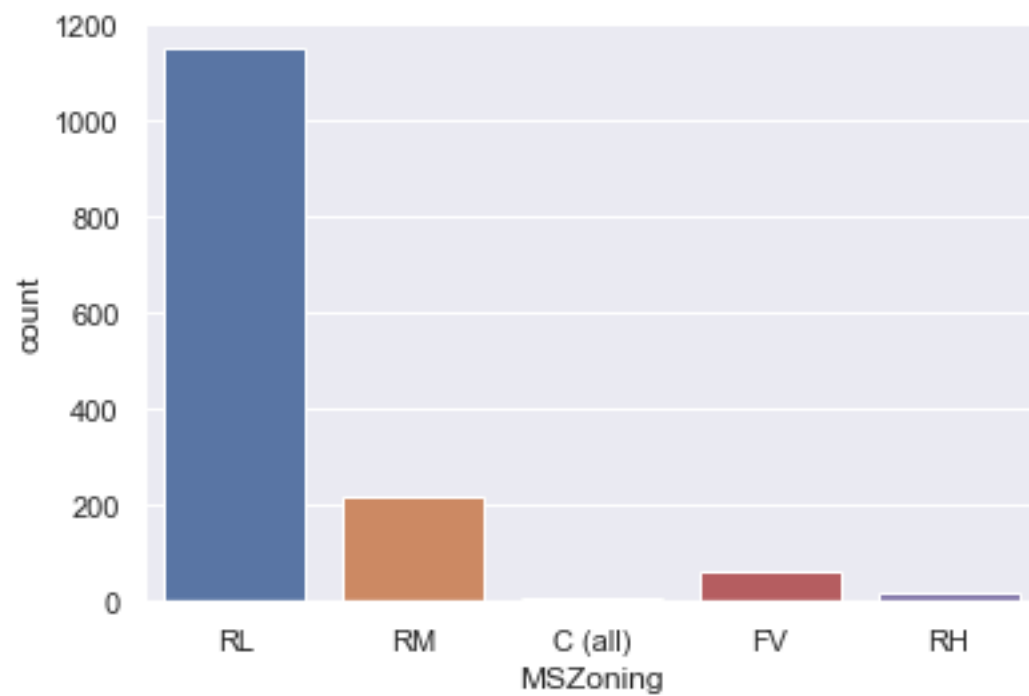
MSZoning	False
Street	False

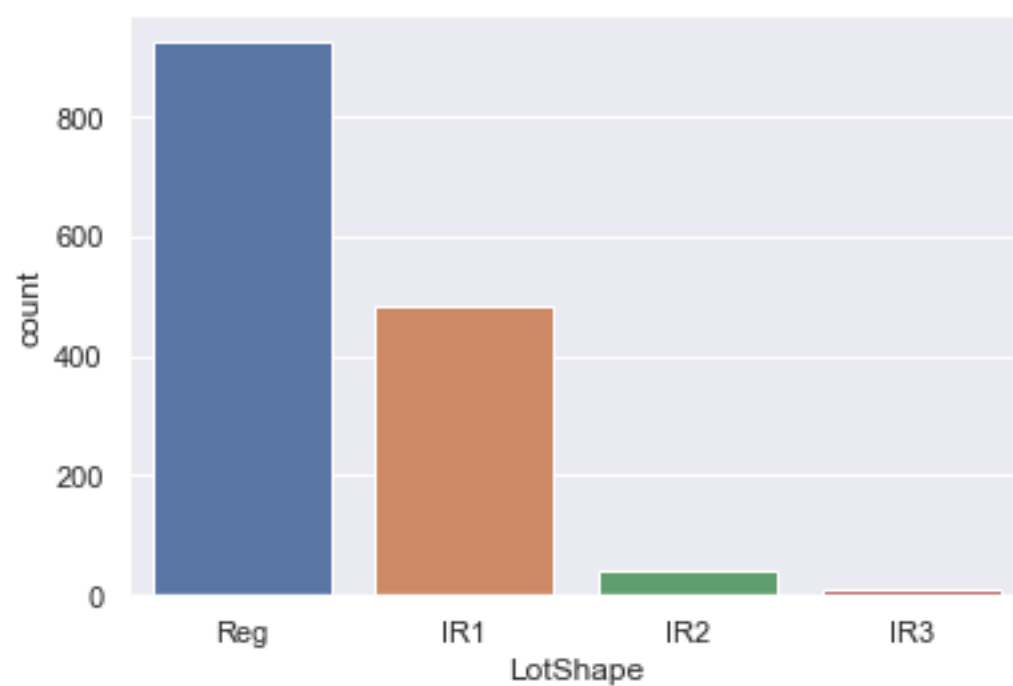
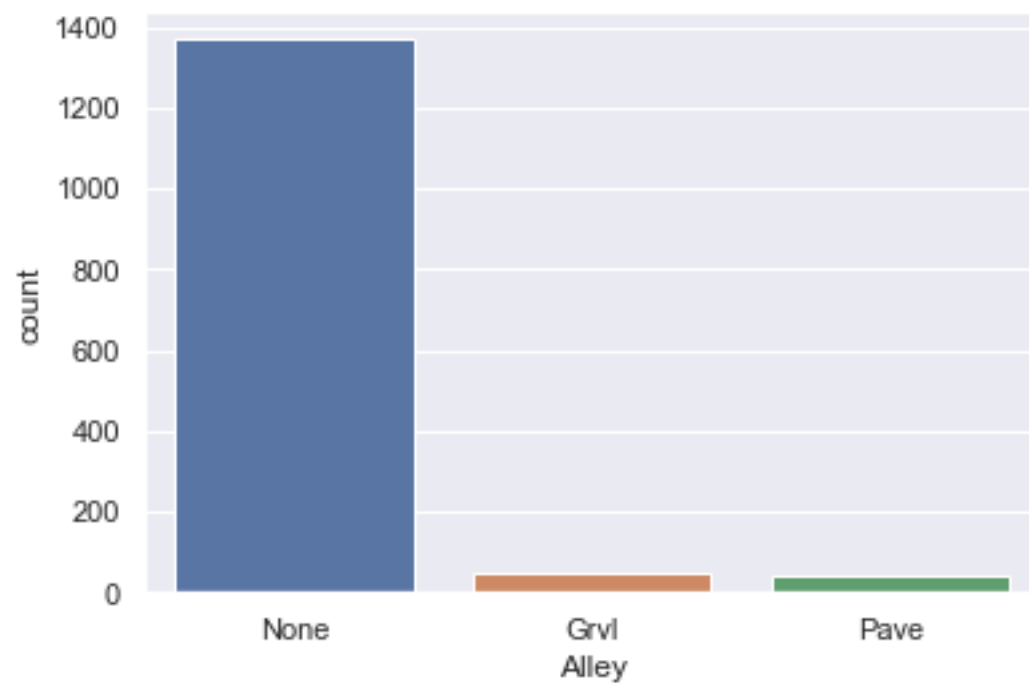
Alley	False
LotShape	False
LandContour	False
Utilities	False
LotConfig	False
LandSlope	False
Neighborhood	False
Condition1	False
Condition2	False
BldgType	False
HouseStyle	False
RoofStyle	False
RoofMatl	False
Exterior1st	False
Exterior2nd	False
MasVnrType	False
ExterQual	False
ExterCond	False
Foundation	False
BsmtQual	False
BsmtCond	False
BsmtExposure	False
BsmtFinType1	False
BsmtFinType2	False
Heating	False
HeatingQC	False
CentralAir	False
Electrical	False
KitchenQual	False
Function1	False
FireplaceQu	False
GarageType	False
GarageFinish	False
GarageQual	False
GarageCond	False
PavedDrive	False
PoolQC	False
Fence	False
MiscFeature	False
SaleType	False
SaleCondition	False

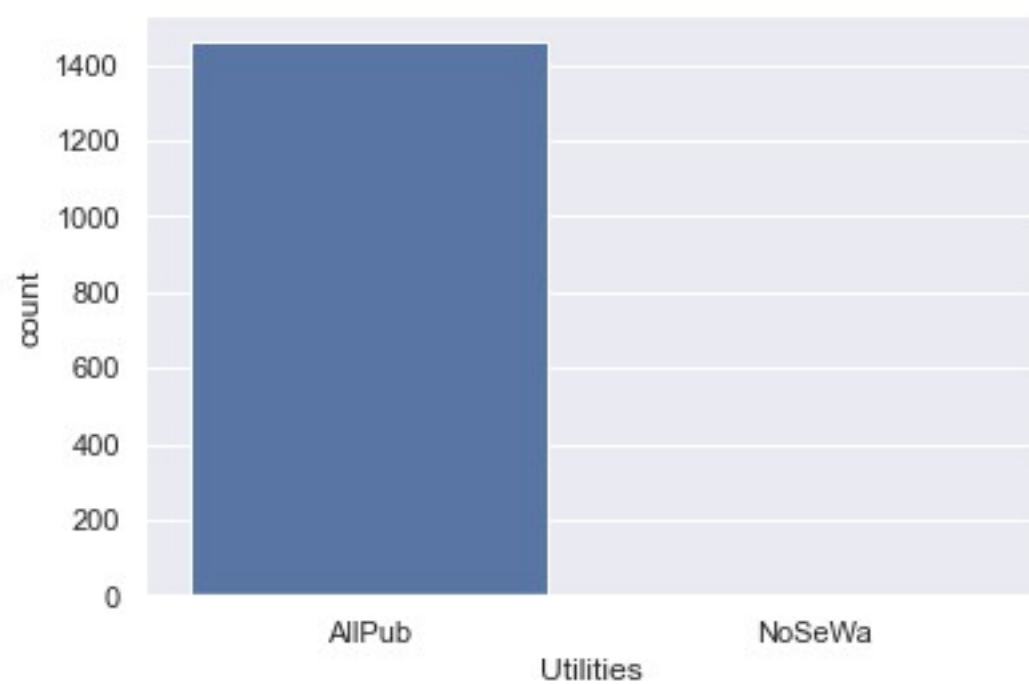
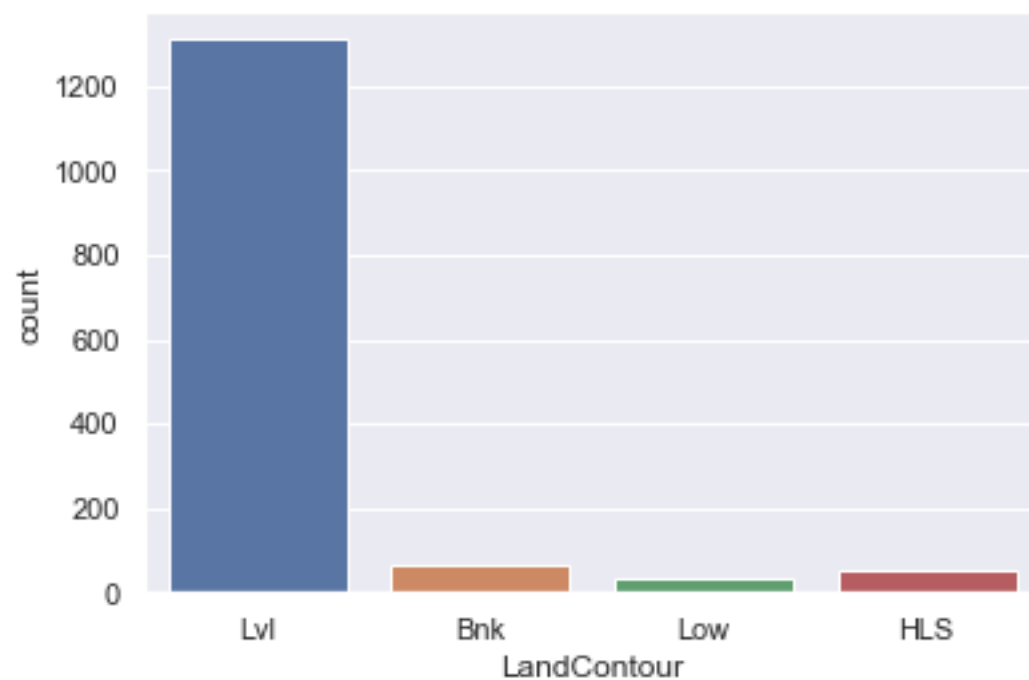
dtype: bool

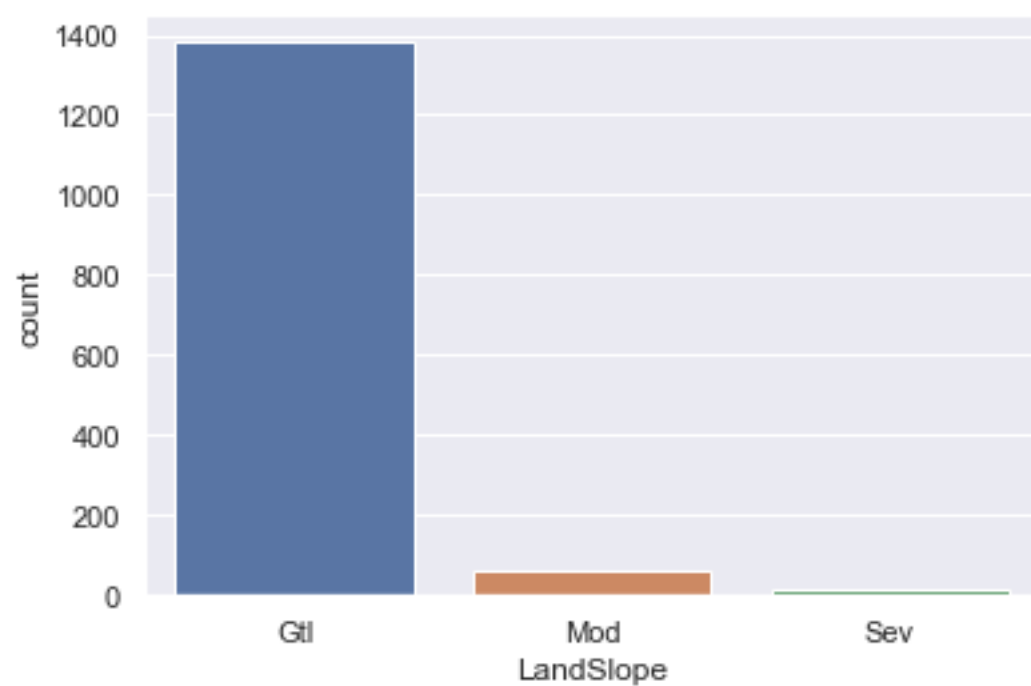
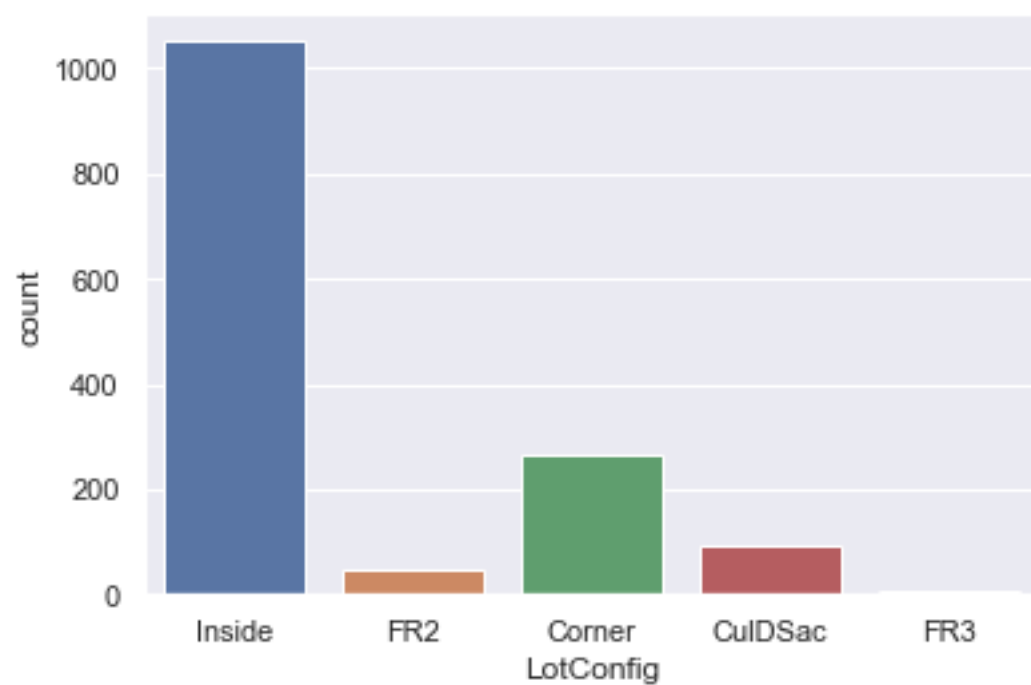
#b. Count plot and box plot for bivariate analysis

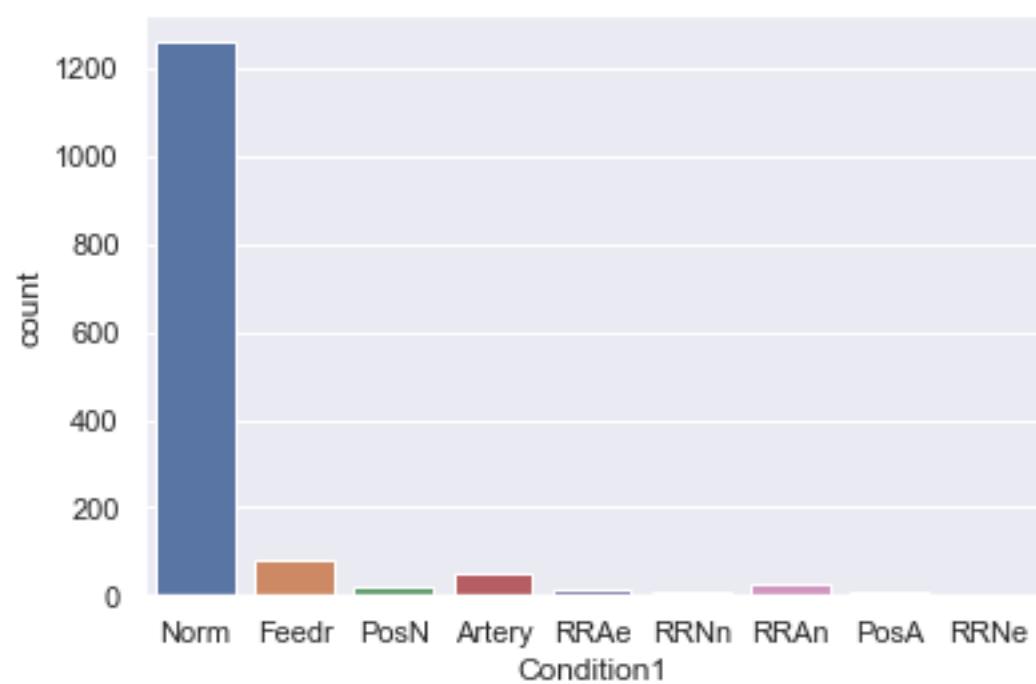
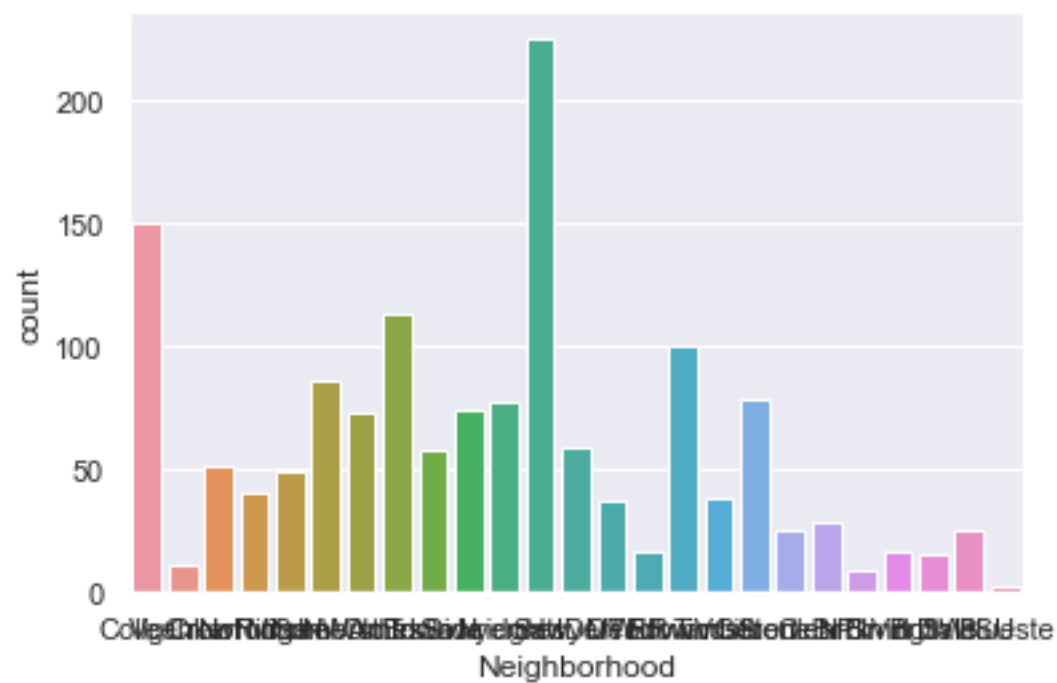
```
sns.set()
cols = cat_var.columns.values.tolist()
for col in cols:
    sns.countplot(cat_var[col])
    plt.show()
```

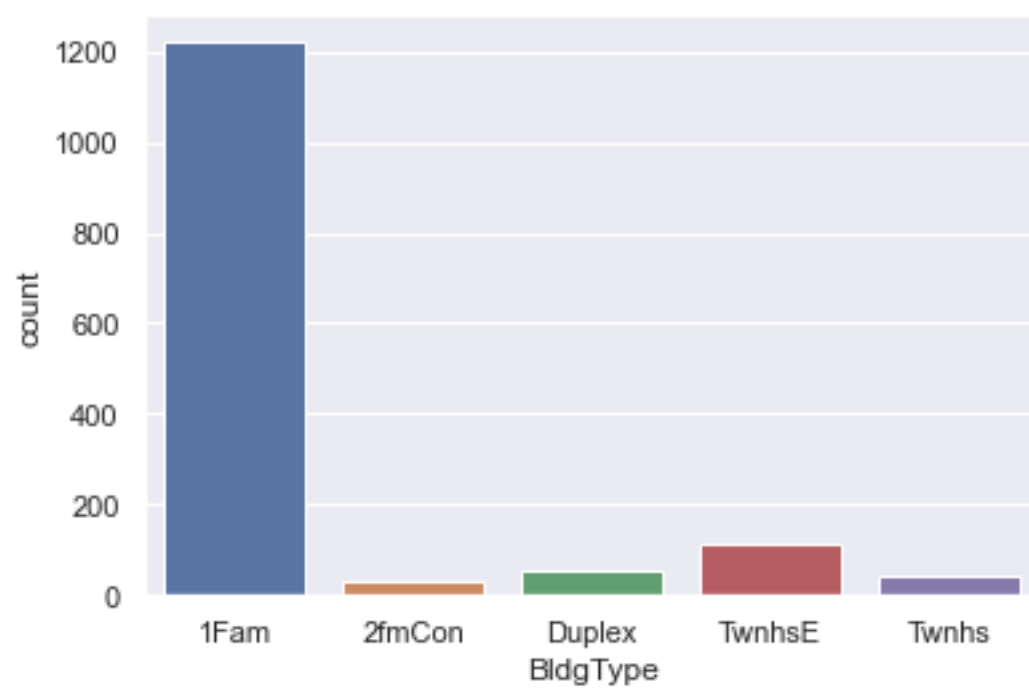
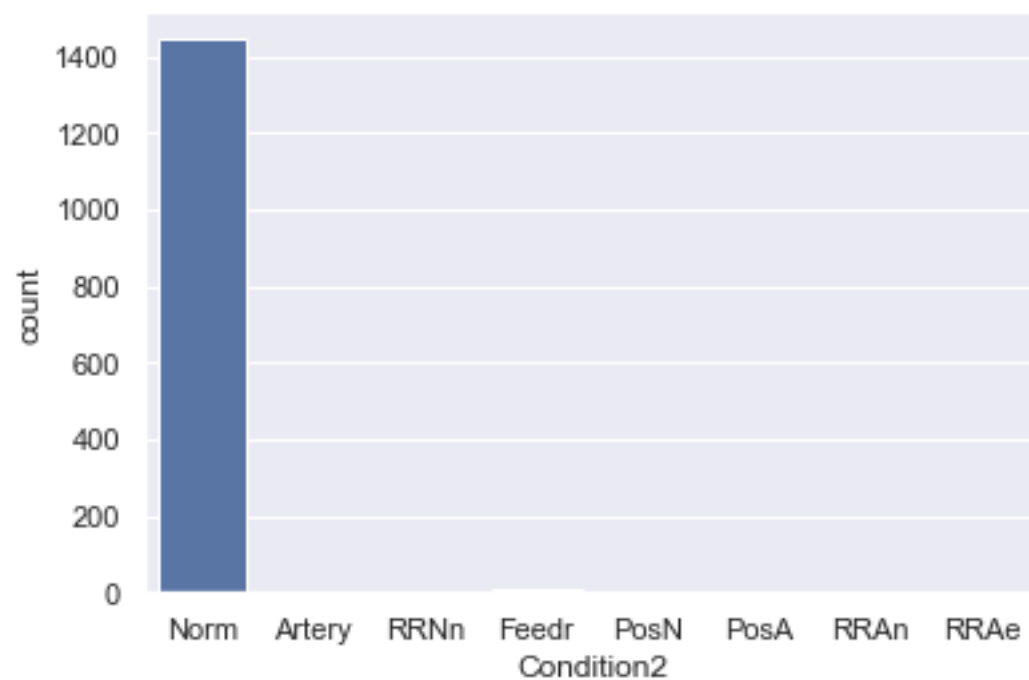


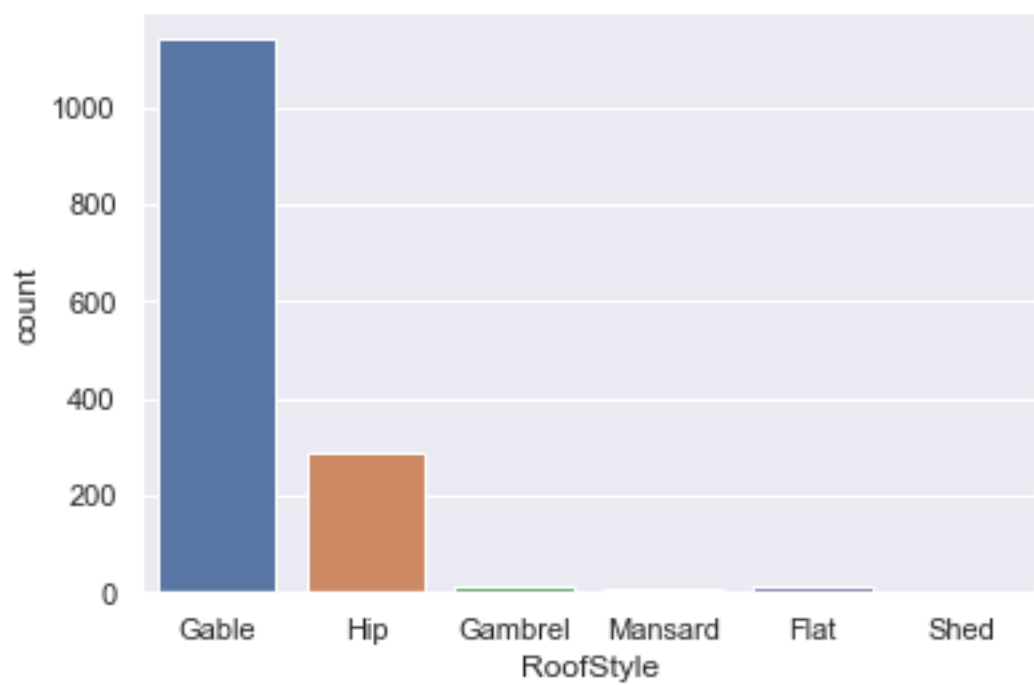
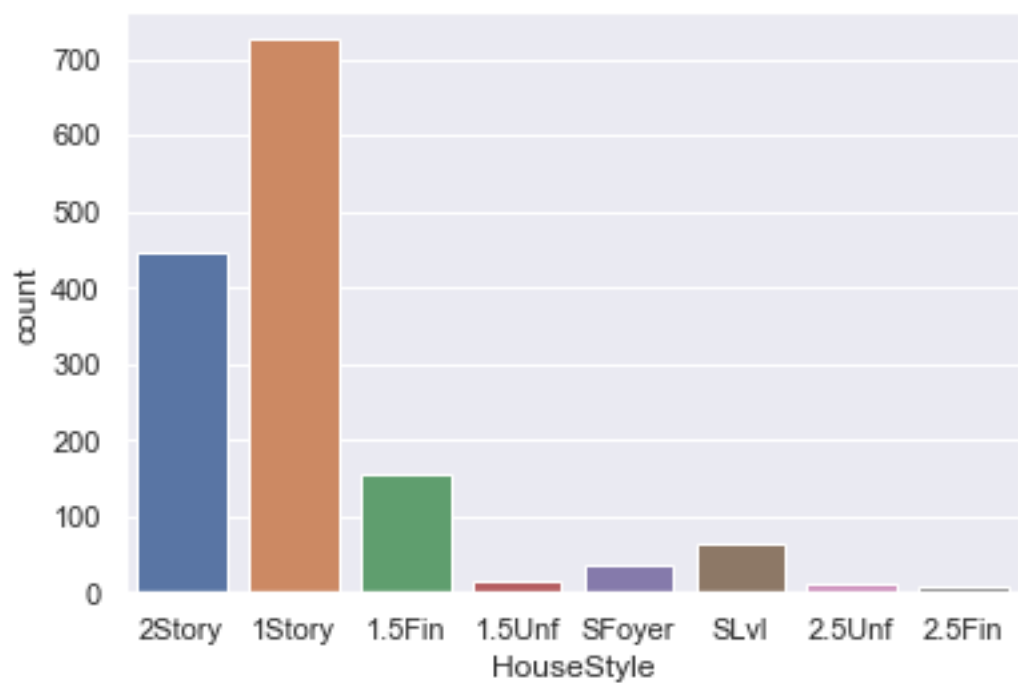


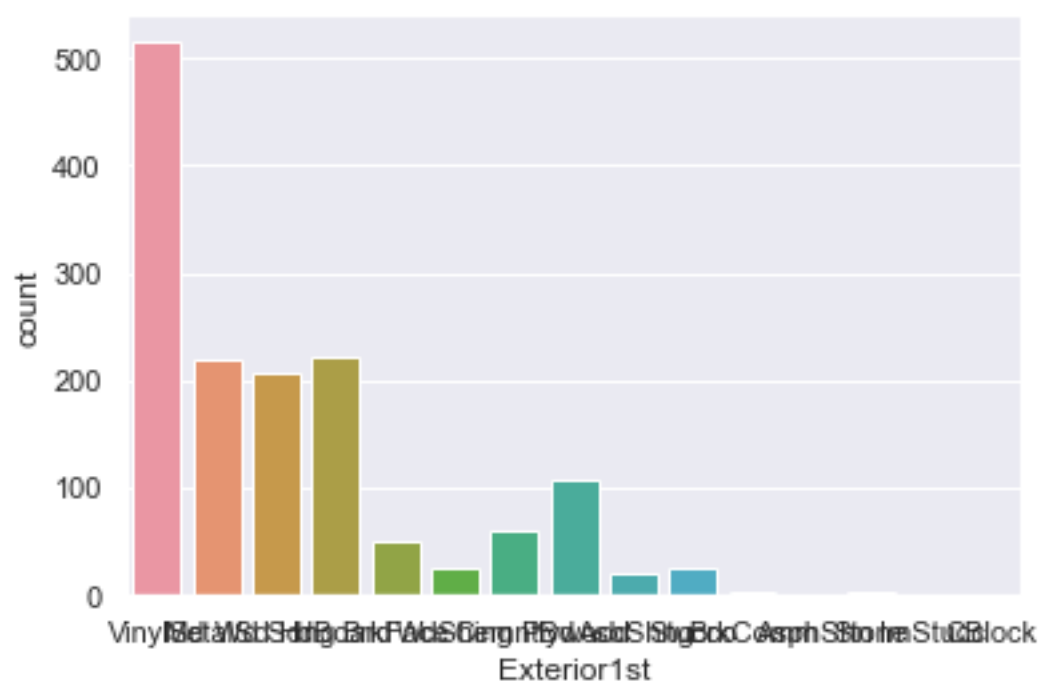
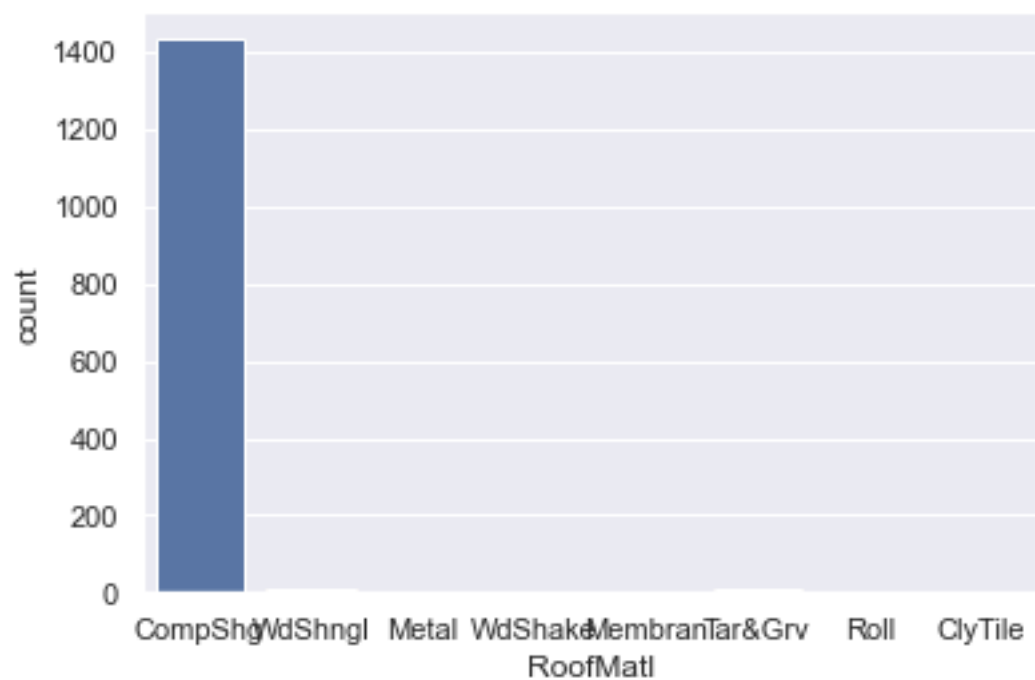


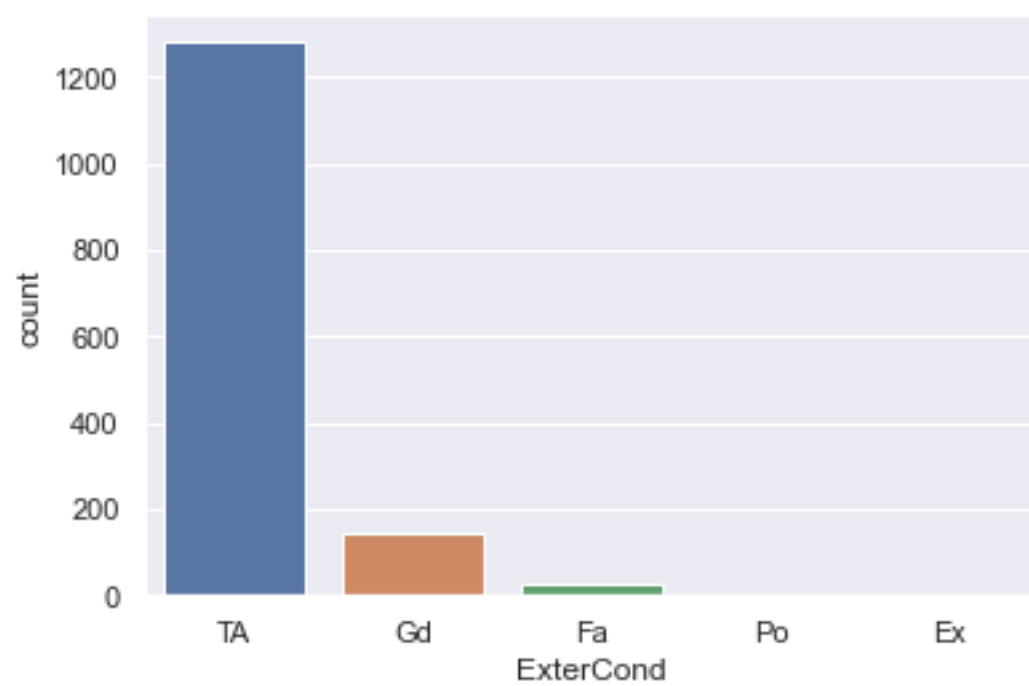
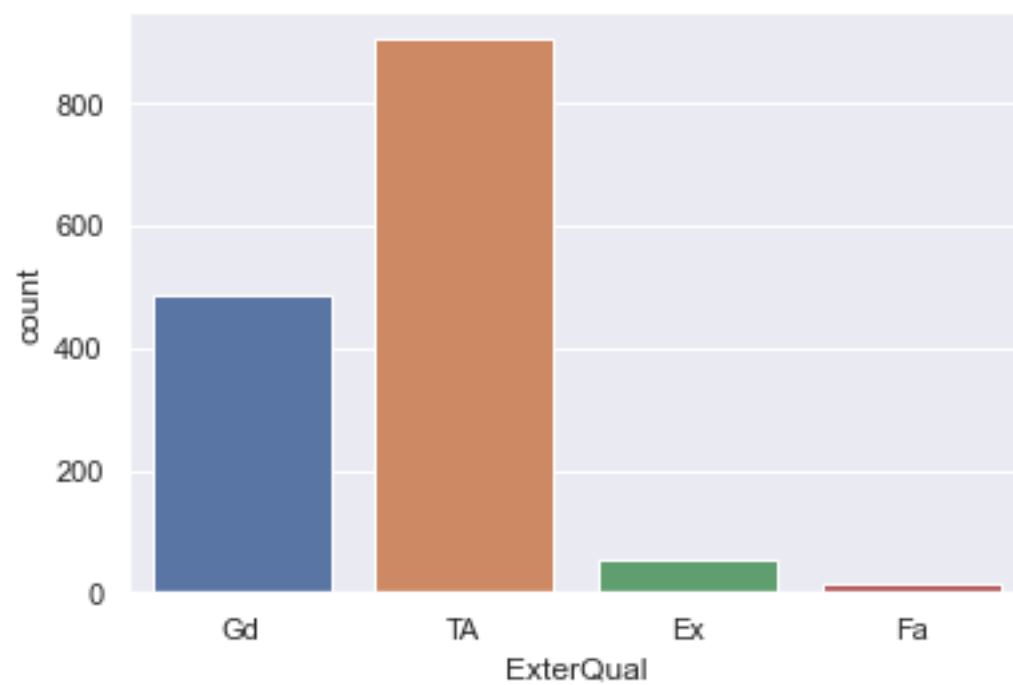


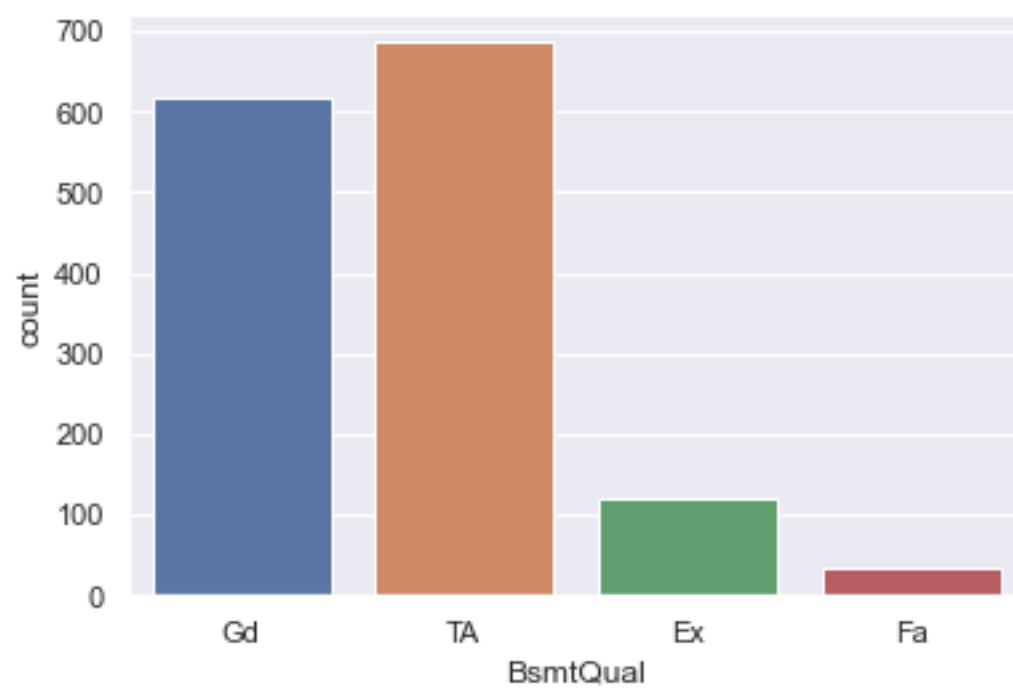
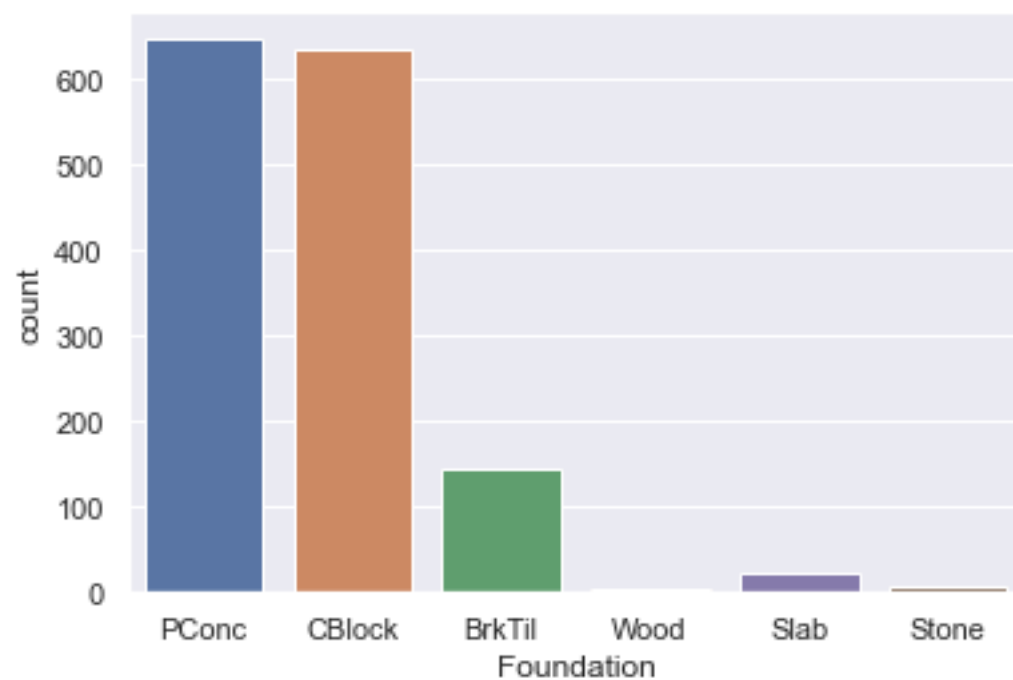


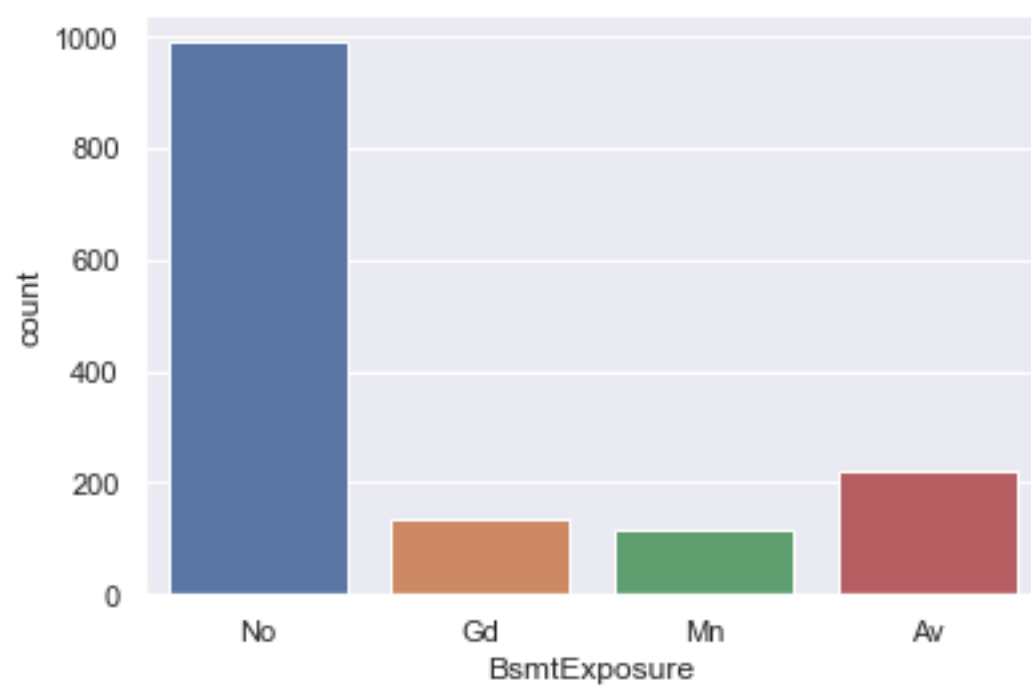
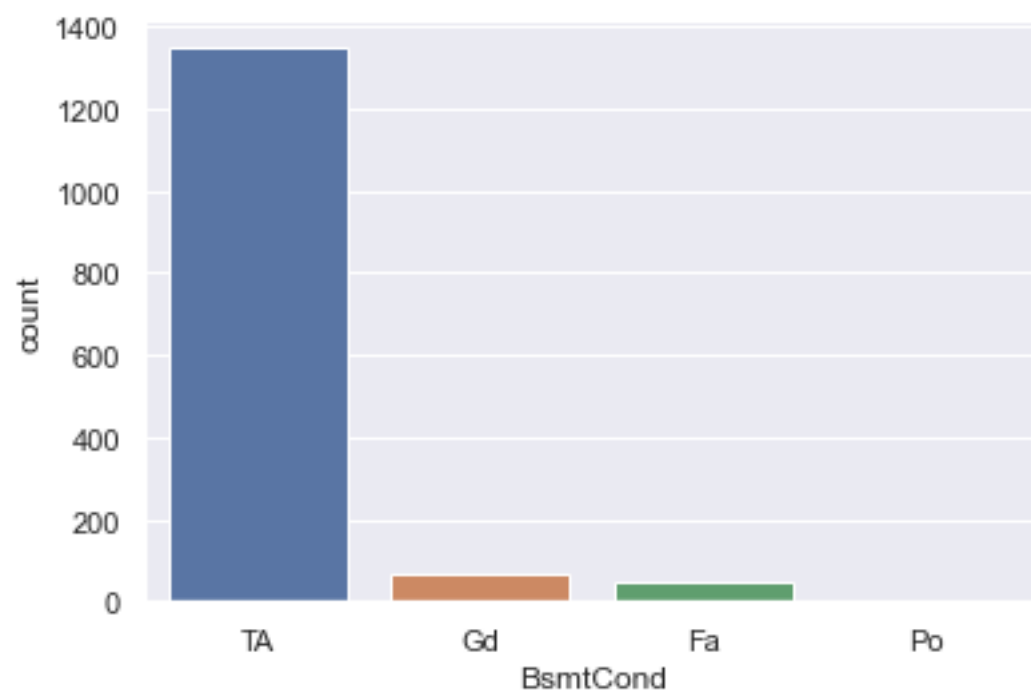


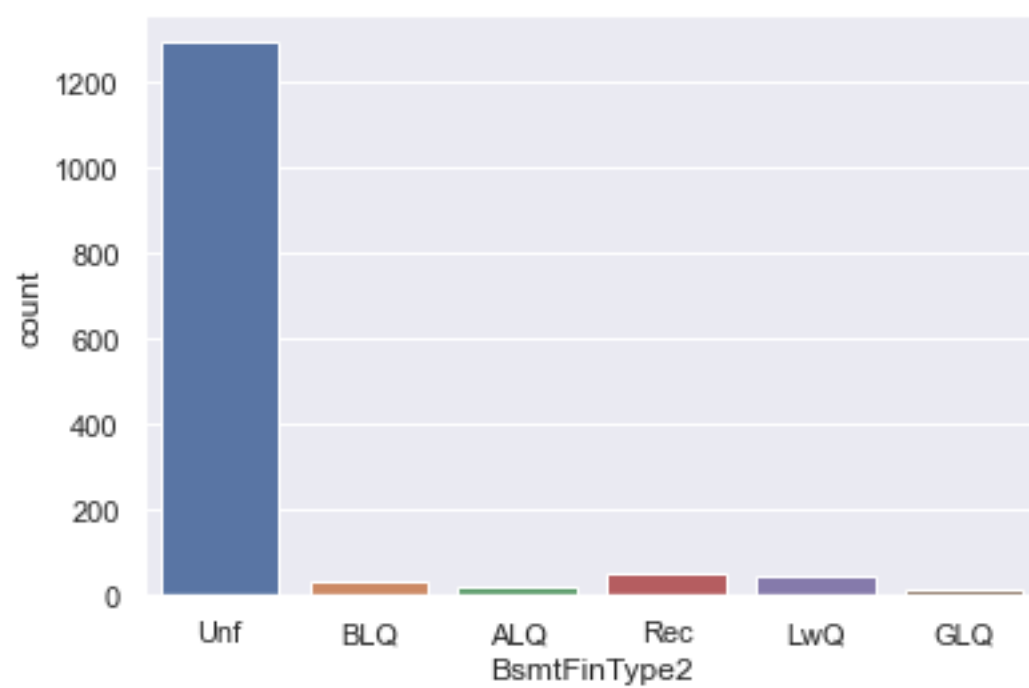
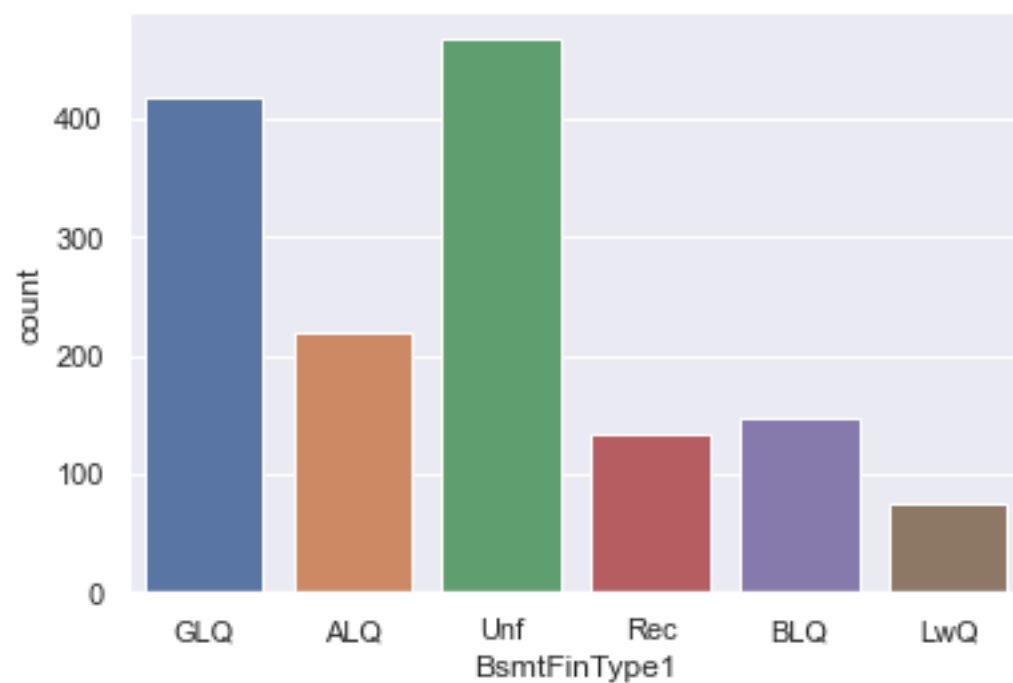


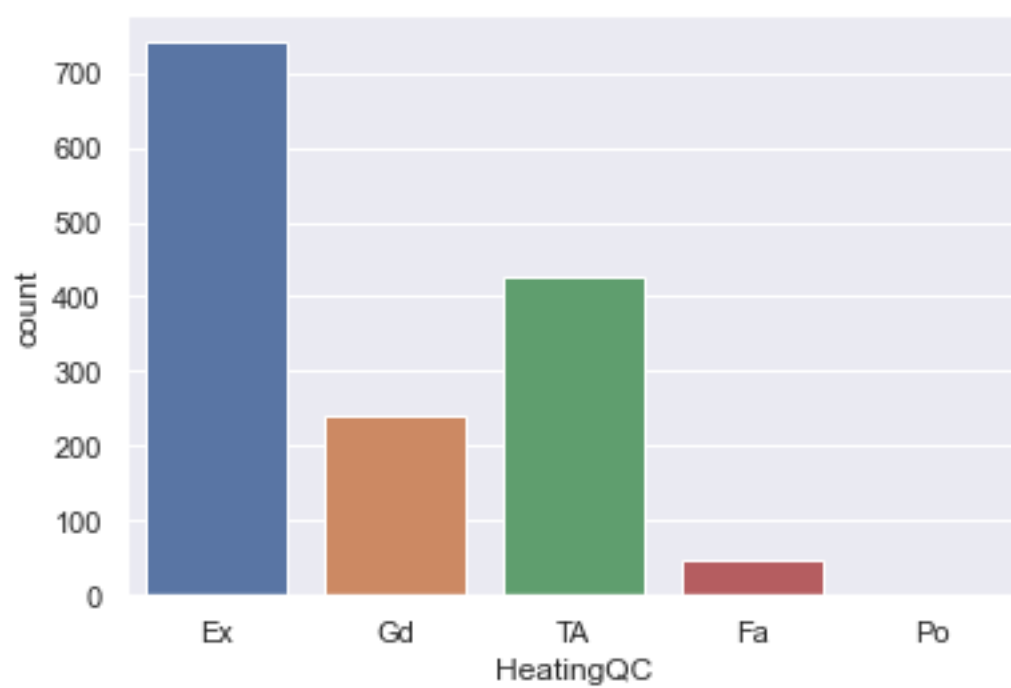
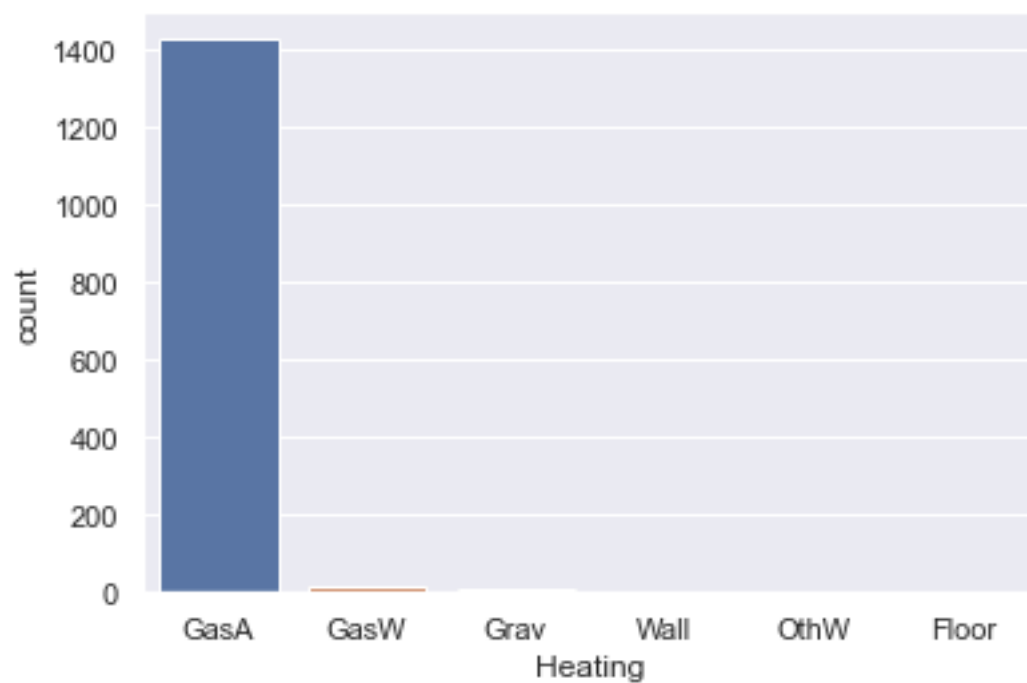


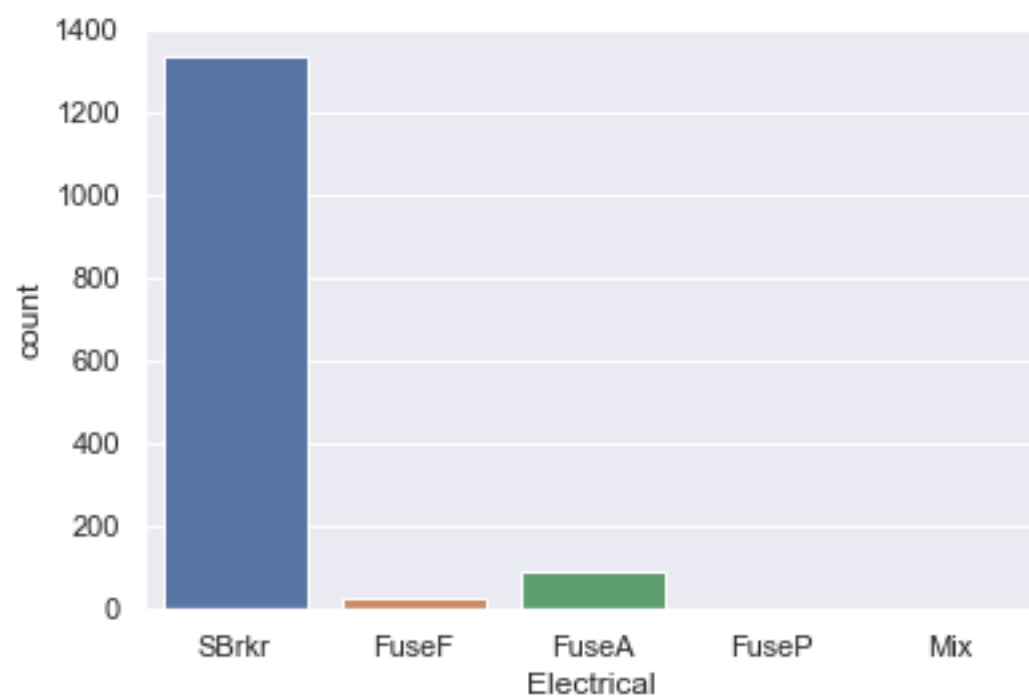
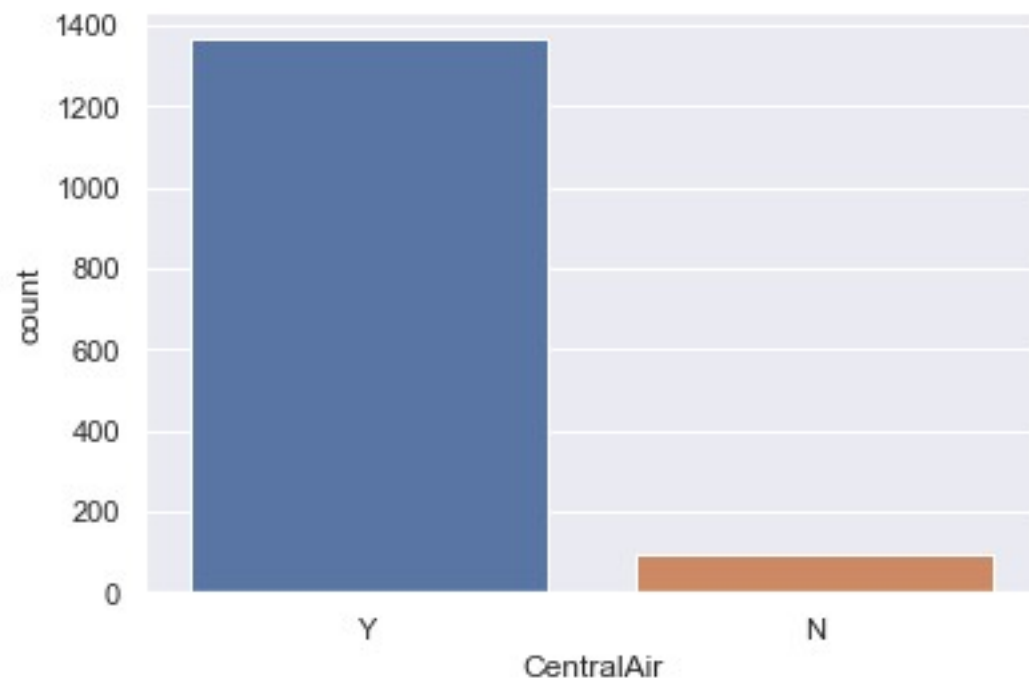


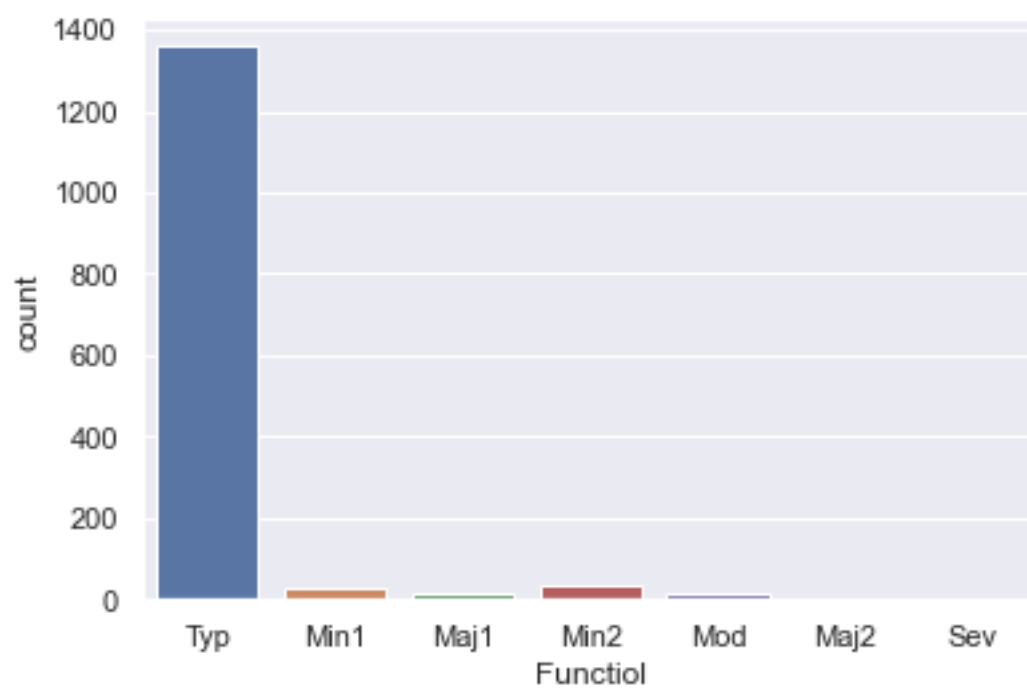
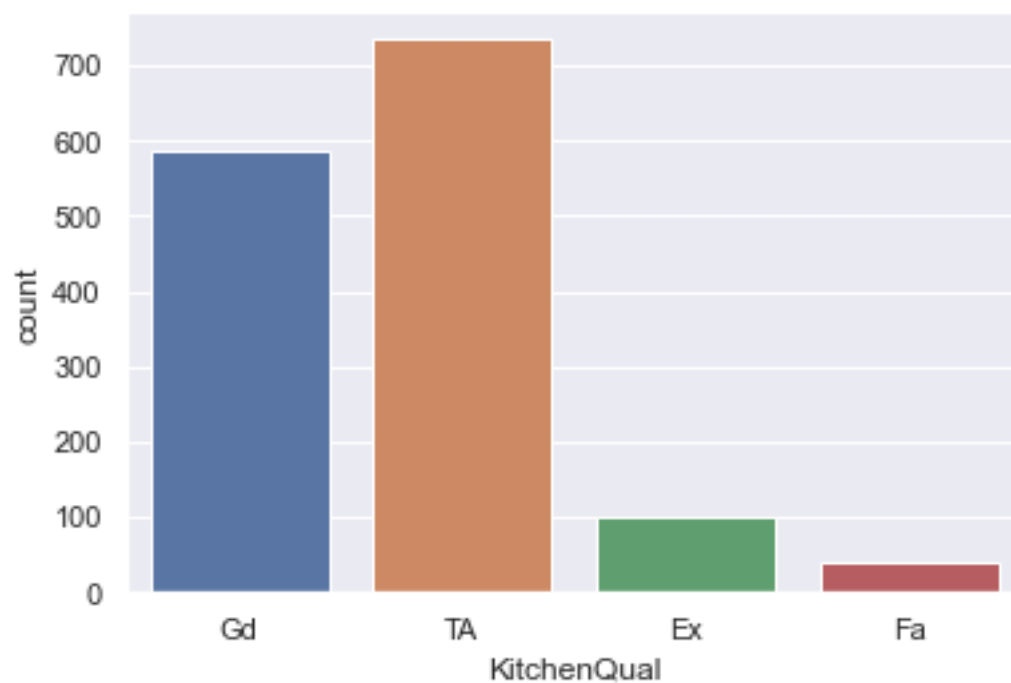


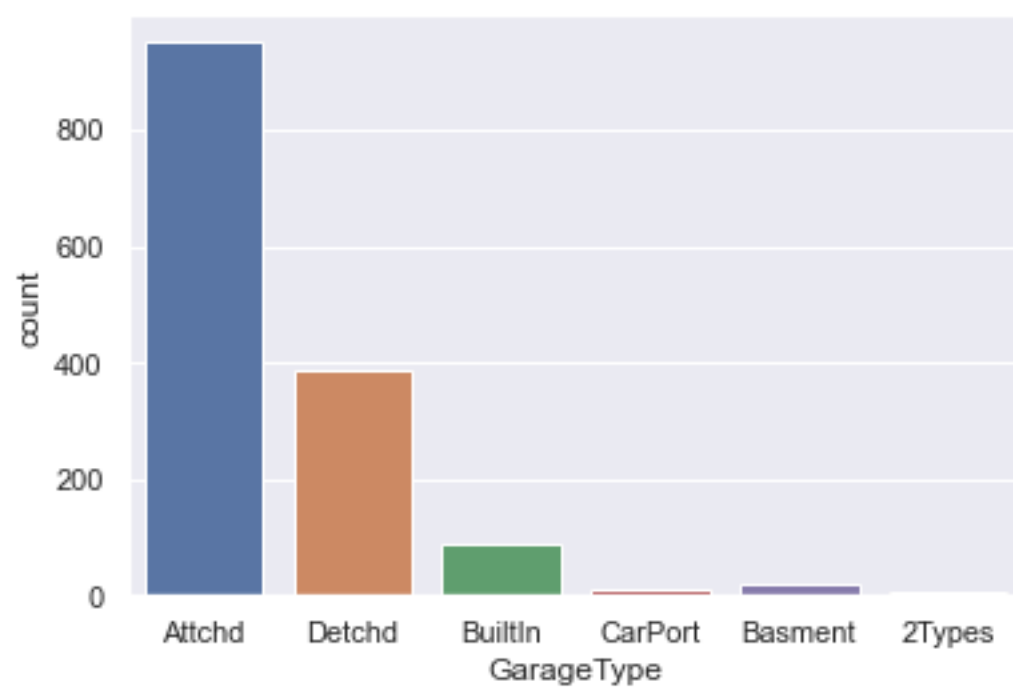
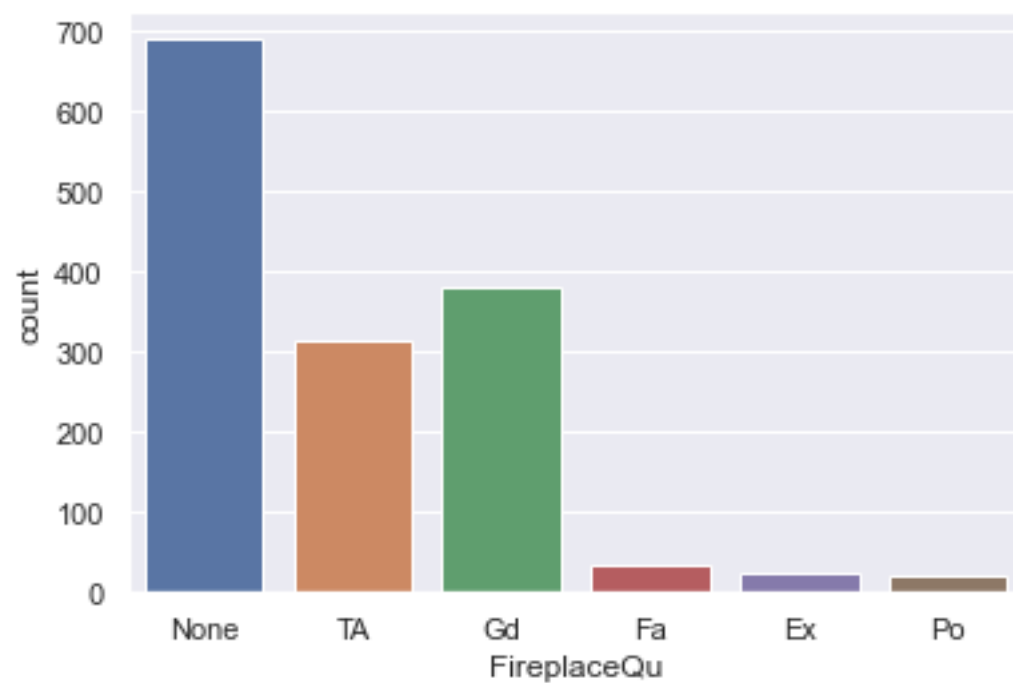


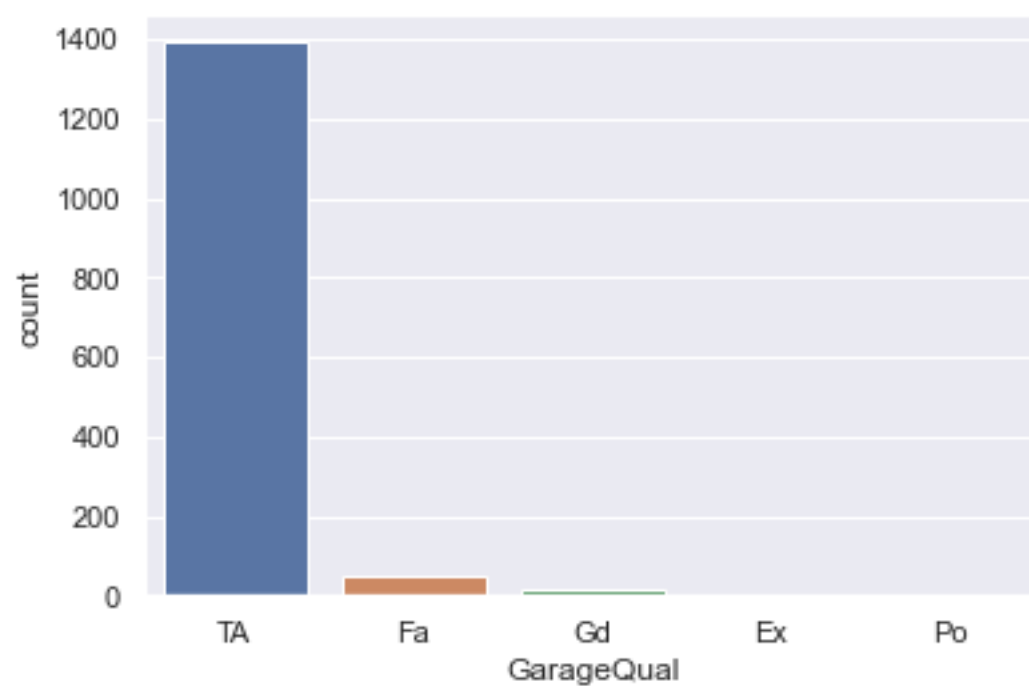
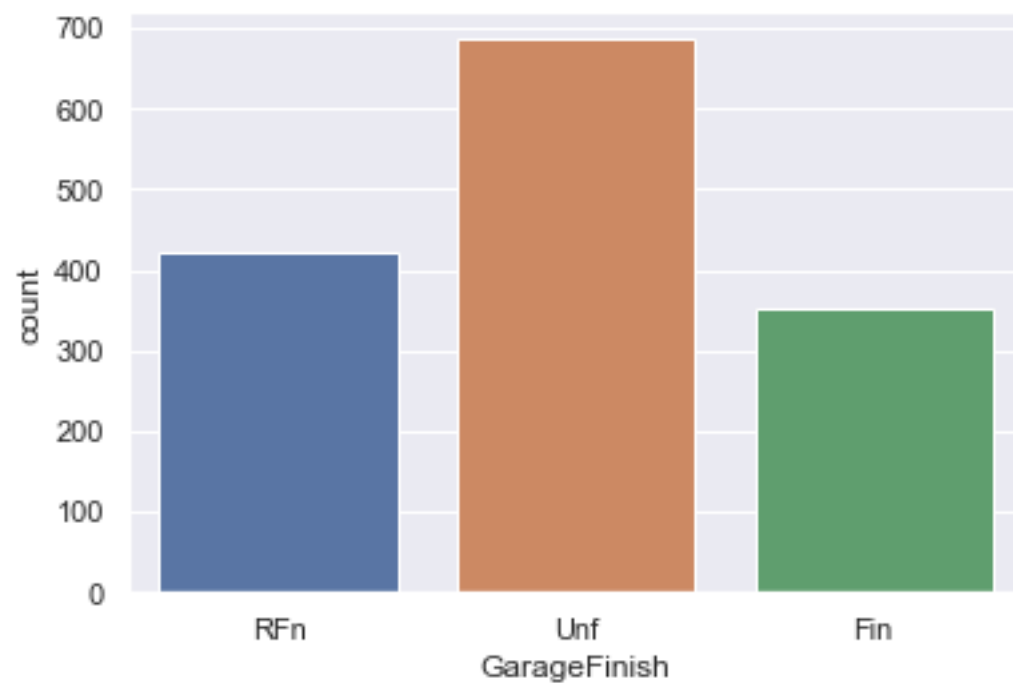


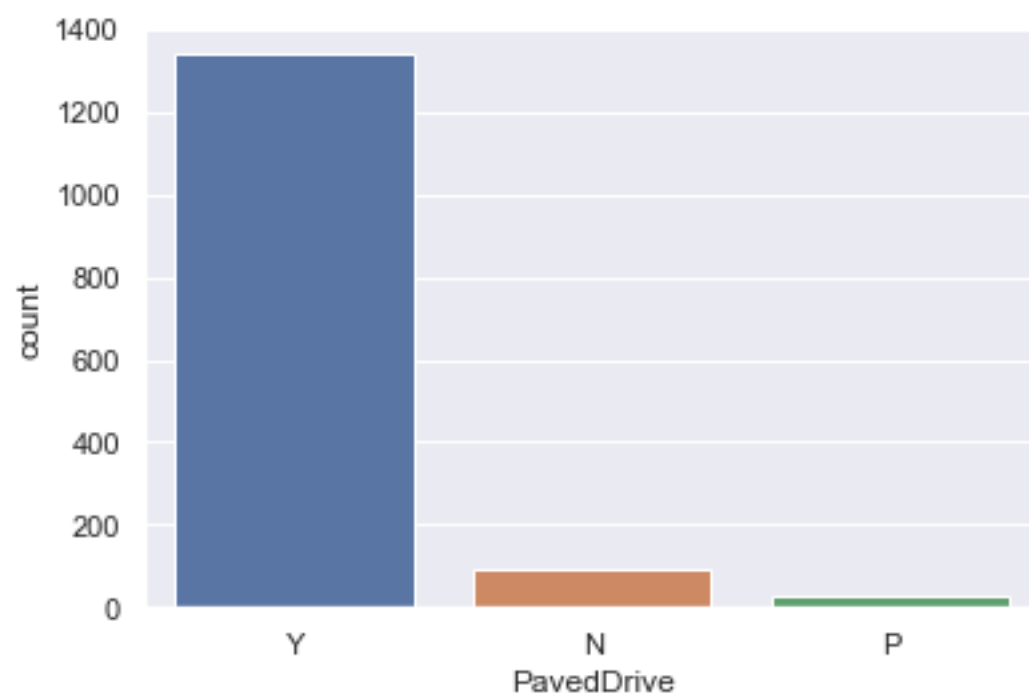
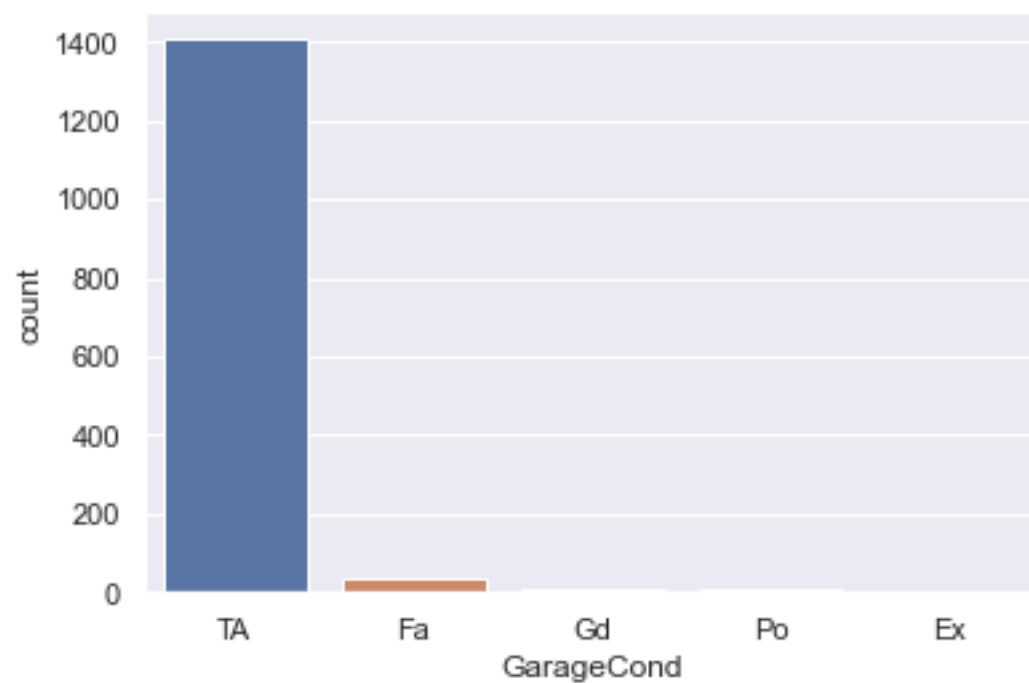


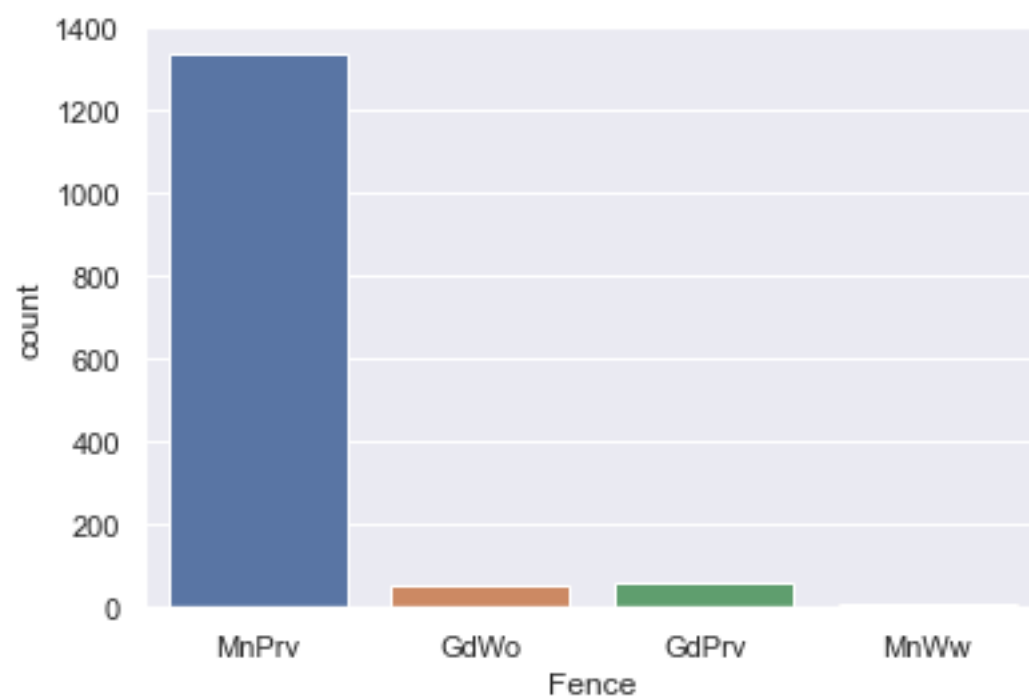
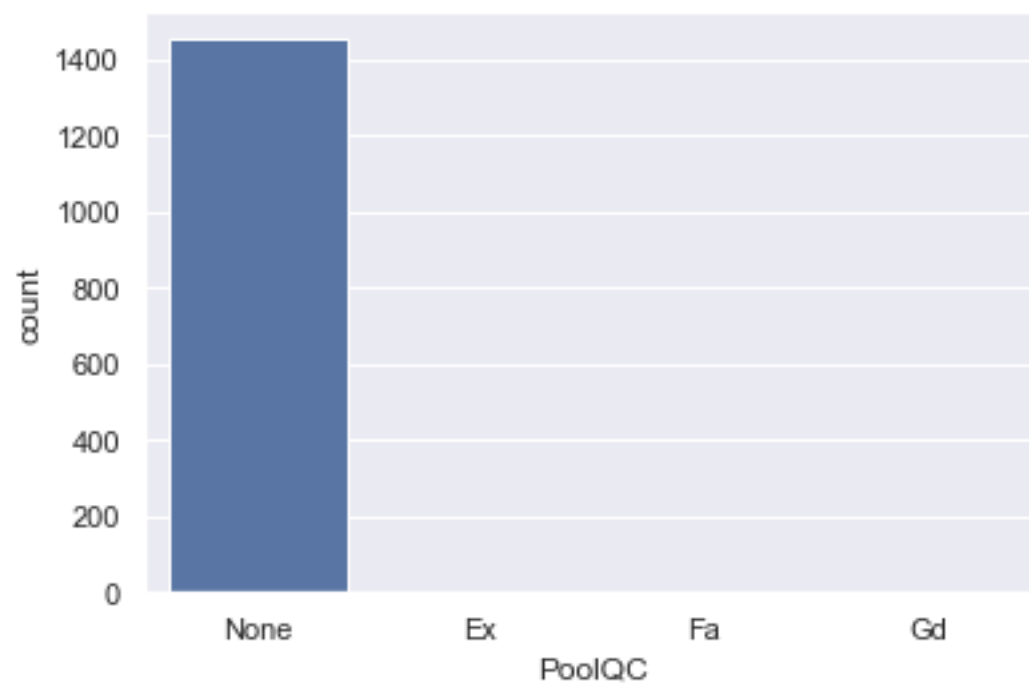


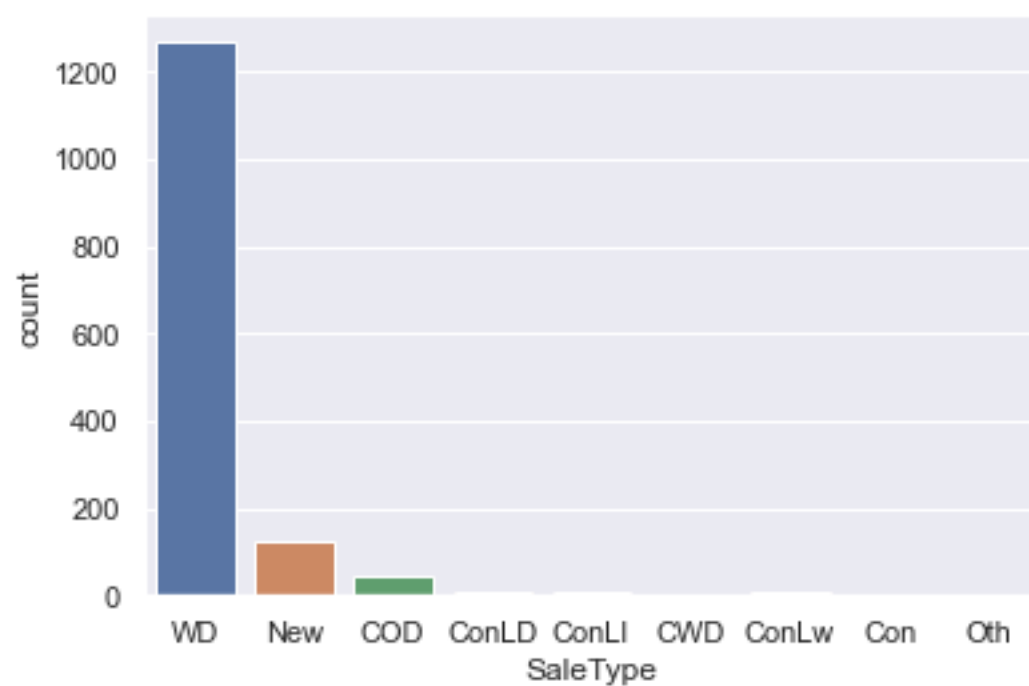
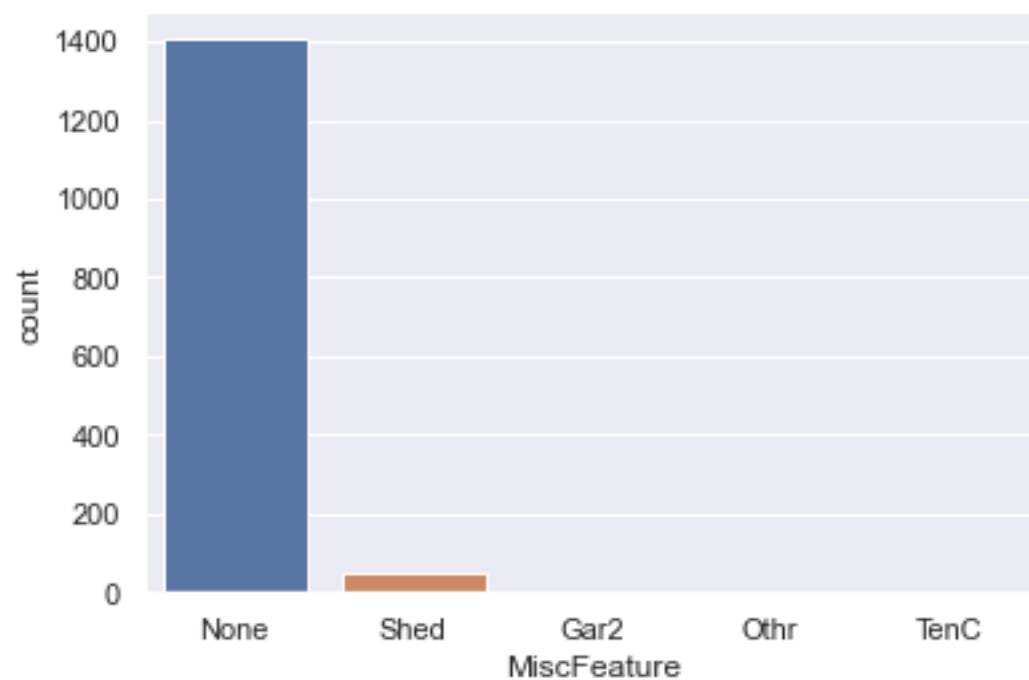


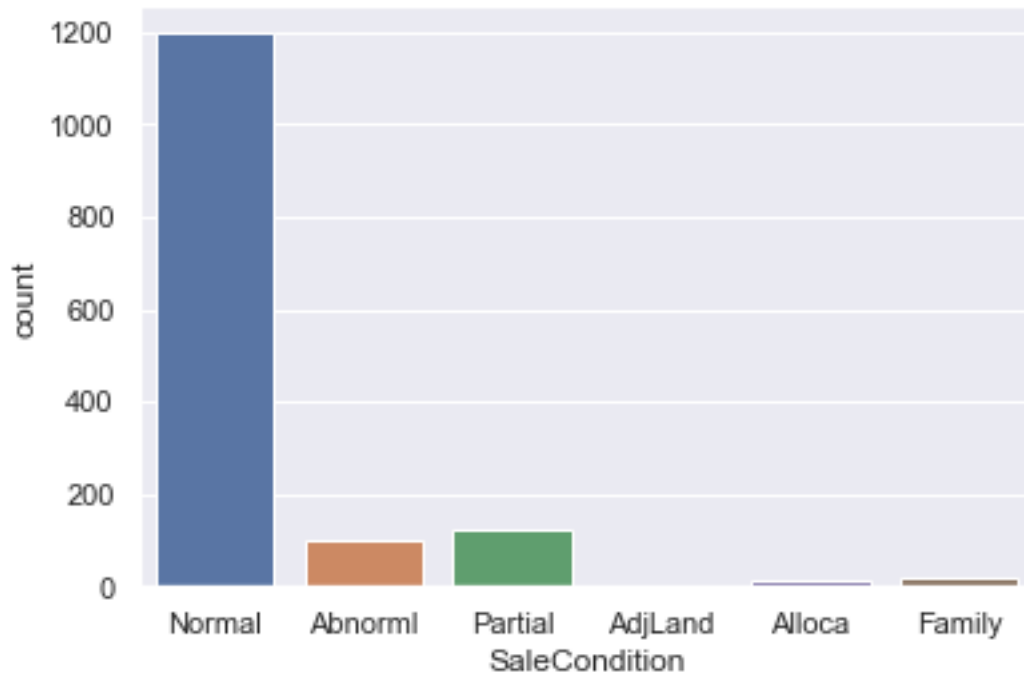




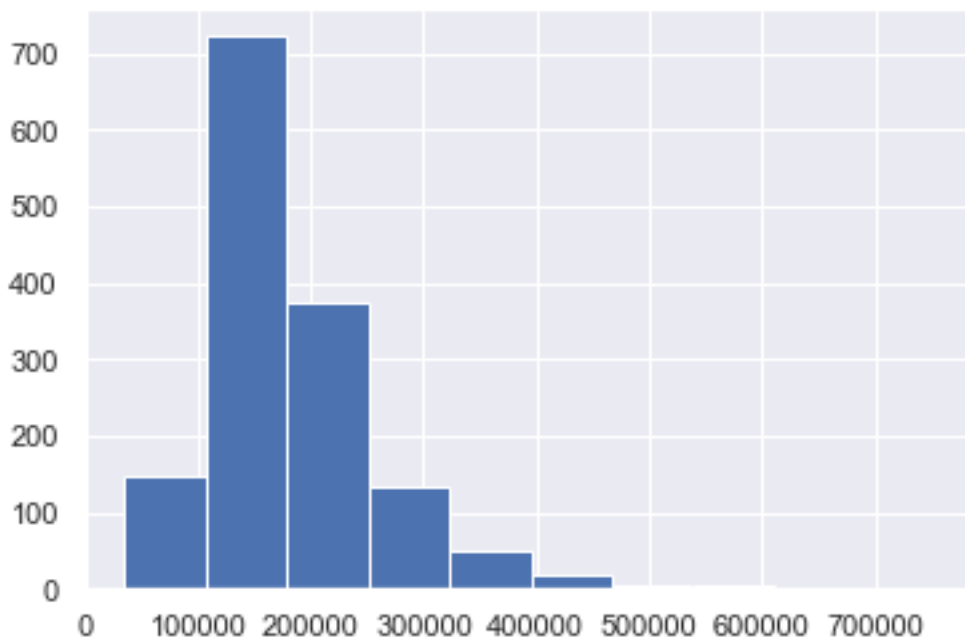








```
num_var['SalePrice'].hist()
SalePriceSegmentation = num_var['SalePrice'].copy()
```



```
#Grouping the price to carry out the cat-cat test
for price in range(len(SalePriceSegmentation)):
    if SalePriceSegmentation[price]<=100000:
        SalePriceSegmentation[price] = 'P<=100000'
    elif ((SalePriceSegmentation[price]>100000) and
(SalePriceSegmentation[price]<=200000)):
```



```

        SalePriceSegmentation[price] = '100000<P<=200000'
    elif ((SalePriceSegmentation[price]>200000) and
(SalePriceSegmentation[price]<=300000)):
        SalePriceSegmentation[price] = '200000<P<=300000'
    elif ((SalePriceSegmentation[price]>300000) and
(SalePriceSegmentation[price]<=400000)):
        SalePriceSegmentation[price] = '300000<P<=400000'
    elif ((SalePriceSegmentation[price]>400000) and
(SalePriceSegmentation[price]<=500000)):
        SalePriceSegmentation[price] = '400000<P<=500000'
    else:
        SalePriceSegmentation[price] = '500000<P'

#c. Identify significant variables using p-values and Chi-Square
values
Y = SalePriceSegmentation.astype(str)
alpha = 0.05
for col in cols:
    X = cat_var[col].astype(str)
    df0bserved = pd.crosstab(Y, X)
    chi2, p, dof, expected = stats.chi2_contingency(df0bserved.values)
    result = ""
    if p < alpha:
        result = "{:15s} {} is IMPORTANT for Prediction".format(col,
p)
    else:
        result = "{:15s} {} is NOT an important predictor. (Discard {}
from model)".format(col, p, col)
    print(result)

```

```

MSZoning      2.5282273407169786e-39 is IMPORTANT for Prediction
Street        0.2751226012422085 is NOT an important predictor.
(Discard Street from model)
Alley         2.655900620446592e-05 is IMPORTANT for Prediction
LotShape      1.429883200516838e-21 is IMPORTANT for Prediction
LandContour   1.4009736755306051e-05 is IMPORTANT for Prediction
Utilities     0.9625277056368384 is NOT an important predictor.
(Discard Utilities from model)
LotConfig     9.170348236154635e-05 is IMPORTANT for Prediction
LandSlope     0.3600405418689199 is NOT an important predictor.
(Discard LandSlope from model)
Neighborhood  9.800523695735449e-178 is IMPORTANT for Prediction
Condition1    0.0003638430970265861 is IMPORTANT for Prediction
Condition2    0.06665143224538962 is NOT an important predictor.
(Discard Condition2 from model)
BldgType      1.2566195087358137e-09 is IMPORTANT for Prediction
HouseStyle    1.0600142036940675e-16 is IMPORTANT for Prediction
RoofStyle     5.556433352503948e-14 is IMPORTANT for Prediction
RoofMatl      0.0028622590308057952 is IMPORTANT for Prediction
Exterior1st   1.3904485257029132e-50 is IMPORTANT for Prediction
Exterior2nd   8.7500422503955365e-47 is IMPORTANT for Prediction

```

```

MasVnrType      5.196399589724438e-49 is IMPORTANT for Prediction
ExterQual       1.55420777592641e-197 is IMPORTANT for Prediction
ExterCond       3.7011459223473924e-12 is IMPORTANT for Prediction
Foundation      1.1785264199530343e-72 is IMPORTANT for Prediction
BsmtQual        3.880577555736088e-175 is IMPORTANT for Prediction
BsmtCond        3.3994117018631147e-11 is IMPORTANT for Prediction
BsmtExposure    3.401498106568333e-33 is IMPORTANT for Prediction
BsmtFinType1    2.889580441813886e-53 is IMPORTANT for Prediction
BsmtFinType2    0.02814393466453002 is IMPORTANT for Prediction
Heating         4.336687510043468e-15 is IMPORTANT for Prediction
HeatingQC       3.012633020937661e-62 is IMPORTANT for Prediction
CentralAir      2.448545148671904e-53 is IMPORTANT for Prediction
Electrical      5.489750623289287e-21 is IMPORTANT for Prediction
KitchenQual     6.78946268698469e-173 is IMPORTANT for Prediction
Functiol        0.00208969002553416 is IMPORTANT for Prediction
FireplaceQu     3.605469235823506e-82 is IMPORTANT for Prediction
GarageType      3.9876796004607706e-36 is IMPORTANT for Prediction
GarageFinish    3.34059578076278e-82 is IMPORTANT for Prediction
GarageQual      9.543903023088993e-10 is IMPORTANT for Prediction
GarageCond      1.796654195081666e-08 is IMPORTANT for Prediction
PavedDrive      1.5663434213380232e-29 is IMPORTANT for Prediction
PoolQC          0.005010663275726978 is IMPORTANT for Prediction
Fence           0.0003956948783349849 is IMPORTANT for Prediction
MiscFeature     0.21585761169156817 is NOT an important predictor.
(Discard MiscFeature from model)
SaleType        3.9351164557013877e-32 is IMPORTANT for Prediction
SaleCondition   8.507191296689659e-37 is IMPORTANT for Prediction

```

5. Combining significant variables

#Dropping all numerical features below 5% coorelation with the target and all Categorical features that failed the test or have 1200+ of the same category.

```

dropped_num_cols =
['TotRmsAbvGrd', 'YrSold', 'MoSold', 'MiscVal', '3SsnPorch', 'BsmtHalfBath',
'LowQualFinSF', 'BsmtFinSF2']
dropped_cat_cols =
['Street', 'Alley', 'LandContour', 'Utilities', 'LandSlope', 'Condition1',
'Condition2', 'BldgType', 'RoofMatl', 'BsmtCond', 'BsmtFinType2', 'Heating',
'CentralAir', 'Electrical', 'Functiol', 'GarageQual', 'GarageCond', 'PavedD
rive', 'PoolQC', 'Fence', 'MiscFeature', 'SaleType', 'SaleCondition']
dataset = pd.concat([num_var.drop(columns=dropped_num_cols),
cat_var.drop(columns=dropped_cat_cols)], axis=1)
dataset.head()

```

	Id	MSSubClass	LotFrontage	LotArea	OverallQual	OverallCond
YearBuilt \						
0	1	60	65.0	8450	7	5
2003						
1	2	20	80.0	9600	6	8
1976						

2	3	60	68.0	11250	7	5
2001						
3	4	70	60.0	9550	7	5
1915						
4	5	60	84.0	14260	8	5
2000						

	YearRemodAdd	MasVnrArea	BsmtFinSF1	...	ExterCond	Foundation
BsmtQual \						
0	2003	196.0	706	...	TA	PConc
Gd						
1	1976	0.0	978	...	TA	CBlock
Gd						
2	2002	162.0	486	...	TA	PConc
Gd						
3	1970	0.0	216	...	TA	BrkTil
TA						
4	2000	350.0	655	...	TA	PConc
Gd						

	BsmtExposure	BsmtFinType1	HeatingQC	KitchenQual	FireplaceQu	\
0	No	GLQ	Ex	Gd	None	
1	Gd	ALQ	Ex	TA	TA	
2	Mn	GLQ	Ex	Gd	TA	
3	No	ALQ	Gd	Gd	Gd	
4	Av	GLQ	Ex	Gd	TA	

	GarageType	GarageFinish
0	Attchd	RFn
1	Attchd	RFn
2	Attchd	RFn
3	Detchd	Unf
4	Attchd	RFn

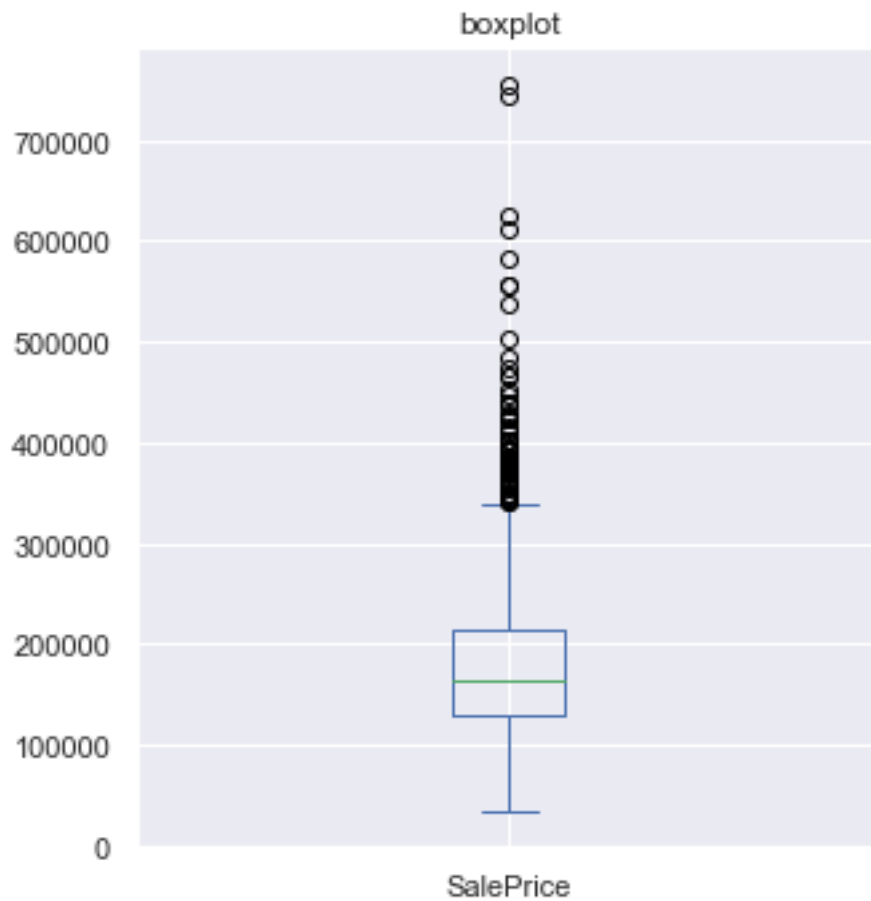
[5 rows x 50 columns]

6. Plotting box plot for the new dataset

```
cols = dataset.columns.values.tolist()
#Removing some features for visualization purposes
dropcols = ['SalePrice','LotArea']
for col in dropcols:
    cols.remove(col)
ax = dataset[cols].plot(kind='box', title='boxplot')
plt.rcParams["figure.figsize"] = (200,5.5)
plt.show()
```



```
ax = dataset['SalePrice'].plot(kind='box', title='boxplot')
plt.rcParams["figure.figsize"] = (5,5.5)
plt.show()
```



```
ax = dataset['LotArea'].plot(kind='box', title='boxplot')
plt.rcParams["figure.figsize"] = (8,5.5)
plt.show()
```

