Simple Linear Regression

August 25, 2025

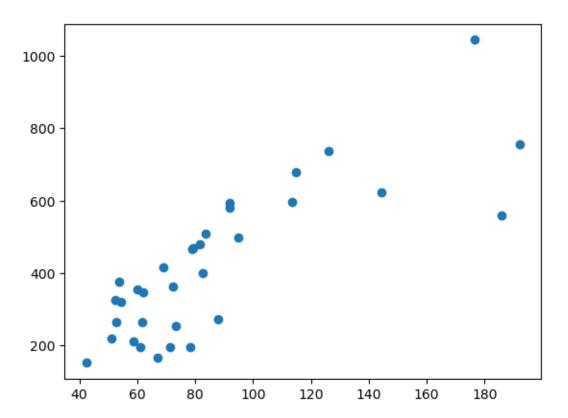
```
import pandas as pd
[6]: url = "SquareFeet_Data.csv"
     data = pd.read_csv(url)
     data
[6]:
                                  StateB
          SquareFeet
                        {\tt StateA}
                                            StateC
                                                       price
                                        0
     0
                   850
                              1
                                                  0
                                                      467500
     1
                   779
                              0
                                        1
                                                  0
                                                      363014
     2
                   990
                              1
                                        0
                                                  0
                                                      594000
     3
                              0
                                        0
                                                      266000
                   665
                                                  1
                                        0
     4
                   550
                              0
                                                  1
                                                      220000
                              0
                                        1
                                                      478720
     5
                   880
                                                  0
     6
                              0
                                        1
                                                      264222
                   567
                                                  0
     7
                                                      497760
                 1020
                              0
                                        1
                                                  0
     8
                 2067
                              0
                                        0
                                                  1
                                                      756522
     9
                  577
                              1
                                        0
                                                      375050
                                                  0
     10
                              1
                                        0
                                                  0
                                                      581532
                   989
     11
                   720
                              0
                                        0
                                                  1
                                                      165600
                                        0
     12
                              1
                   585
                                                  0
                                                      321750
     13
                   656
                              0
                                        0
                                                  1
                                                      196800
     14
                   788
                              0
                                        0
                                                  1
                                                      253736
     15
                 1222
                              0
                                        1
                                                  0
                                                      596336
     16
                  565
                              1
                                        0
                                                  0
                                                      326005
     17
                              0
                                        0
                   844
                                                  1
                                                      196652
                  744
                              1
                                        0
                                                  0
                                                      415152
     18
     19
                              0
                                        1
                                                  0
                                                      737664
                 1356
     20
                              0
                                        1
                 1555
                                                  0
                                                      622000
     21
                 2000
                              0
                                        0
                                                  1
                                                      560000
                                        0
     22
                   647
                              1
                                                  0
                                                      355850
     23
                   769
                              0
                                        0
                                                  1
                                                      196095
     24
                   855
                              0
                                        1
                                                  0
                                                      470250
     25
                              1
                                        0
                                                  0
                                                      509400
                   900
     26
                   456
                              0
                                        0
                                                  1
                                                      151848
                              0
     27
                   669
                                        1
                                                  0
                                                      347880
                              1
                                        0
     28
                 1899
                                                  0
                                                     1044450
                              0
                                        0
                                                      212055
     29
                   633
                                                  1
```

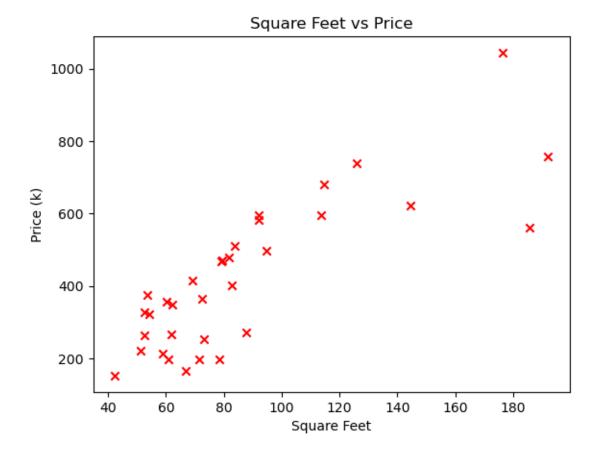
```
31
                946
                                    0
                                            1
                                                272448
     32
               1235
                           1
                                    0
                                            0
                                                679250
[7]: #convert sqft to m^2
     data["SquareFeet"] = data["SquareFeet"] * 0.092903
     data['price'] = data['price'] / 1000
[5]: x = data["SquareFeet"]
     y = data["price"]
     X
[5]: 0
            78.967550
            72.371437
     1
     2
            91.973970
     3
            61.780495
     4
            51.096650
     5
            81.754640
     6
            52.676001
     7
            94.761060
     8
           192.030501
     9
            53.605031
     10
            91.881067
     11
            66.890160
     12
            54.348255
     13
            60.944368
     14
            73.207564
     15
           113.527466
     16
            52.490195
     17
            78.410132
     18
            69.119832
     19
           125.976468
     20
           144.464165
     21
           185.806000
     22
            60.108241
     23
            71.442407
     24
            79.432065
     25
            83.612700
     26
            42.363768
     27
            62.152107
     28
           176.422797
     29
            58.807599
     30
            82.683670
     31
            87.886238
     32
           114.735205
     Name: SquareFeet, dtype: float64
```

```
[6]: import matplotlib.pyplot as plt
```

```
[7]: plt.scatter(x,y)
```

[7]: <matplotlib.collections.PathCollection at 0x23c2de1bdf0>





```
[11]: #cost function formula
#y_pred = w*x + b

# if w=0,b=0
# y_pred = 0*x + 0
# y_pred = 0

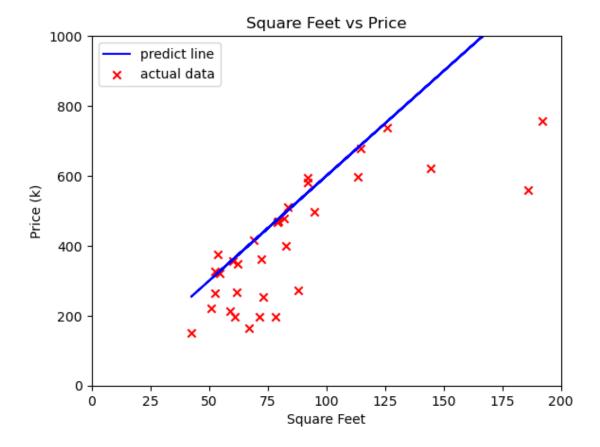
# (y-y_pred)^2 + (y-y_pred)^2 + (y-y_pred)^2 = ?
# (1-0)^2 + (2-0)^2 + (3-0)^2 = 14

# if w=2,b=0
# y_pred = 2*x + 0
# y_pred = 2x

# (1-2)^2 + (2-4)^2 + (3-6)^2 = 14

# if w=1,b=0
# y_pred = 1*x + 0
# y_pred = x
```

```
\# (1-1)^2 + (2-2)^2 + (3-3)^2 = 0
```



```
[13]: #cost function
      w = 6
      b = 0
      y_pred = w*x + b
      cost = (y - y_pred)**2
      cost.sum()/len(x)
      # cost.mean()
[13]: np.float64(27936.753619832147)
[14]: def compute_cost(x,y,w,b):
          y_pred = w*x + b
          cost = (y - y_pred)**2
          cost = cost.sum()/len(x)
          return cost
[15]: compute_cost(x,y,6,0)
[15]: np.float64(27936.753619832147)
[16]: \#b=0 w=100\sim100 cost=?
      costs = []
      for w in range(-100,101):
          cost = compute_cost(x,y,w,0)
          costs.append(cost)
      costs
[16]: [np.float64(98884393.15876493),
       np.float64(97005804.97023045),
       np.float64(95145235.45044343),
       np.float64(93302684.59940387),
       np.float64(91478152.4171117),
       np.float64(89671638.90356702),
       np.float64(87883144.05876975),
       np.float64(86112667.88271993),
       np.float64(84360210.37541756),
       np.float64(82625771.53686261),
       np.float64(80909351.3670551),
       np.float64(79210949.86599506),
       np.float64(77530567.03368245),
       np.float64(75868202.87011728),
       np.float64(74223857.37529953),
       np.float64(72597530.54922923),
```

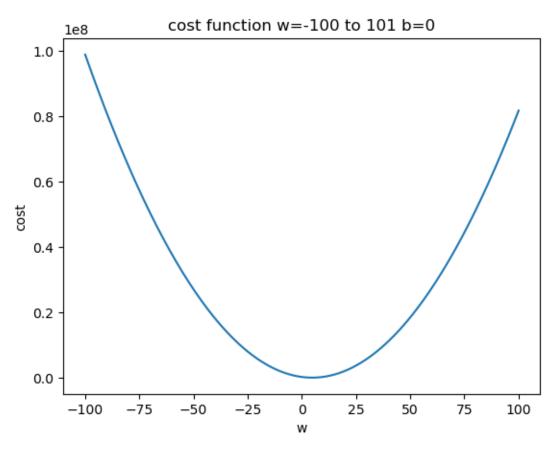
```
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np.float64(69398932.90333098),
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np.float64(45120867.91590743),
np.float64(43854914.46478594),
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```

```
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np.float64(5536331.317920739),
np.float64(5099236.62918154),
np.float64(4680160.609189782),
np.float64(4279103.257945464),
np.float64(3896064.575448588),
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np.float64(3184043.216697158),
np.float64(2855060.540442603),
np.float64(2544096.5329354904),
np.float64(2251151.1941758175),
np.float64(1976224.5241635859),
np.float64(1719316.522898795),
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np.float64(1259556.526611536),
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np.float64(871871.2053140402),
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```

```
np.float64(261611.56088152665),
np.float64(365076.9345655523),
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np.float64(19279000.254828054),
np.float64(20121231.04715715),
np.float64(20981480.508233692),
np.float64(21859748.63805767),
np.float64(22756035.436629098),
np.float64(23670340.90394796),
```

```
np.float64(24602665.040014263),
       np.float64(25553007.844828006),
       np.float64(26521369.318389192),
       np.float64(27507749.46069782),
       np.float64(28512148.27175388),
       np.float64(29534565.75155739),
       np.float64(30575001.90010834),
       np.float64(31633456.71740672),
       np.float64(32709930.203452557),
       np.float64(33804422.35824583),
       np.float64(34916933.18178654),
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       np.float64(37196010.83511029),
       np.float64(38362577.66489332),
       np.float64(39547163.1634238),
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       np.float64(44465691.8450201),
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       np.float64(48343784.37806547),
       np.float64(49672519.226575464),
       np.float64(51019272.74383291),
       np.float64(52384044.9298378),
       np.float64(53766835.78459012),
       np.float64(55167645.308089875),
       np.float64(56586473.500337094),
       np.float64(58023320.36133174),
       np.float64(59478185.89107382),
       np.float64(60951070.08956334),
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       np.float64(63950894.49278473),
       np.float64(65477834.69751657),
       np.float64(67022793.57099587),
       np.float64(68585771.11322258),
       np.float64(70166767.32419679),
       np.float64(71765782.2039184),
       np.float64(73382815.75238743),
       np.float64(75017867.96960394),
       np.float64(76670938.85556787),
       np.float64(78342028.41027924),
       np.float64(80031136.63373807),
       np.float64(81738263.52594432)]
[16]: plt.plot(range(-100,101),costs)
      plt.title("cost function w=-100 to 101 b=0")
```

```
plt.xlabel("w")
plt.ylabel("cost")
plt.show()
```



```
[17]: import numpy as np

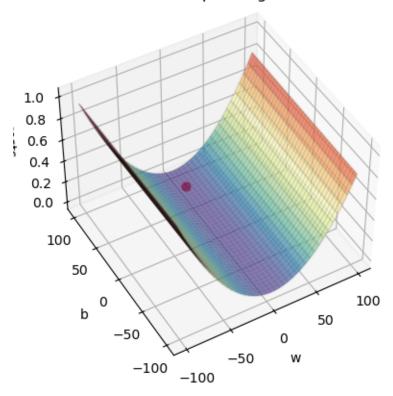
[18]: ws = np.arange(-100,101)
    bs = np.arange(-100,101)
    costs = np.zeros((201,201))

i = 0
    for w in ws:
        j = 0
        for b in bs:
        cost = compute_cost(x,y,w,b)
        costs[i,j] = cost
        j = j + 1
        i = i + 1

costs
```

```
[18]: array([[1.00716630e+08, 1.00698208e+08, 1.00679789e+08, ...,
             9.71082054e+07, 9.70901800e+07, 9.70721567e+07],
             [9.88206613e+07, 9.88024137e+07, 9.87841682e+07, ...,
             9.52466498e+07, 9.52287982e+07, 9.52109487e+07],
             [9.69427116e+07, 9.69246378e+07, 9.69065661e+07, ...,
             9.34031128e+07, 9.33854351e+07, 9.33677593e+07],
             [7.67329891e+07, 7.67489805e+07, 7.67649739e+07, ...,
             7.99382909e+07, 7.99546783e+07, 7.99710677e+07],
             [7.84047172e+07, 7.84208824e+07, 7.84370496e+07, ...,
             8.16444317e+07, 8.16609929e+07, 8.16775561e+07],
             [8.00944639e+07, 8.01108029e+07, 8.01271439e+07, ...,
             8.33685912e+07, 8.33853262e+07, 8.34020632e+07]])
[33]: ax = plt.axes(projection = "3d")
      ax.view init(45,-120)
      b_grid, w_grid = np.meshgrid(bs,ws)
      ax.plot_surface(w_grid,b_grid,costs,cmap="Spectral_r",alpha=0.7)
      ax.plot_wireframe(w_grid,b_grid,costs,color="black",alpha=0.1)
      ax.set_title("w b co-responding cost")
      ax.set_xlabel("w")
      ax.set_ylabel("b")
      ax.set_zlabel("costs")
      w_index, b_index = np.where(costs == np.min(costs))
      ax.scatter(ws[w_index],bs[b_index],costs[w_index,b_index],color="red",s=40)
      plt.show()
      print(f"when w={ws[w_index]},b={bs[b_index]} will appear min cost:
```

w b co-responding cost



when w=[4],b=[73] will appear min cost:[13811.0357929]

[]: