#### In [1]:

```
#Import required libraries
import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
%matplotlib inline
```

# **Acquire Housing dataset**

```
In [2]:
```

```
#Read housing dataset
df_housing_dataset = pd.read_csv('F:\SML\housing.csv')
```

```
In [3]:
```

```
df_housing_dataset.head()
```

#### Out[3]:

	longitude	latitude	housing_median_age	total_rooms	total_bedrooms	populati
0	-122.23	37.88	41	880	129.0	322
1	-122.22	37.86	21	7099	1106.0	2401
2	-122.24	37.85	52	1467	190.0	496
3	-122.25	37.85	52	1274	235.0	558
4	-122.25	37.85	52	1627	280.0	565

#### In [4]:

```
df_housing_dataset.columns
```

#### Out[4]:

#### In [5]:

```
#Check shape of entire dataset
df_housing_dataset.shape
```

#### Out[5]:

(20640, 10)

In [6]:

df\_housing\_dataset.describe()

Out[6]:

	longitude	latitude	housing_median_age	total_rooms	total_bedro	
count	20640.000000	20640.000000	20640.000000	20640.000000	20433.00000	
mean	-119.569704	35.631861	28.639486	2635.763081	537.870553	
std	2.003532	2.135952	12.585558	2181.615252	421.385070	
min	-124.350000	32.540000	1.000000	2.000000	1.000000	
25%	-121.800000	33.930000	18.000000	1447.750000	296.000000	
50%	-118.490000	34.260000	29.000000	2127.000000	435.000000	
75%	-118.010000	37.710000	37.000000	3148.000000	647.000000	
max	-114.310000	41.950000	52.000000	39320.000000	6445.000000	

# Visualize data to understand the relationship among variables

In [7]:

corr = df\_housing\_dataset.corr()

In [8]:

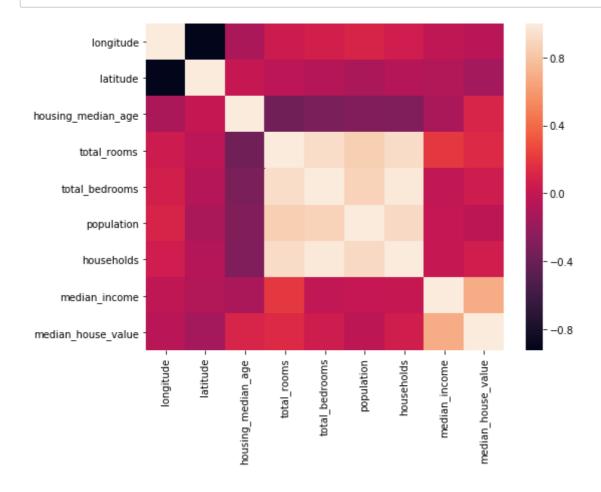
df\_housing\_dataset.corr()

Out[8]:

	-	_			
	longitude	latitude	housing_median_age	total_rooms	tot
longitude	1.000000	-0.924664	-0.108197	0.044568	0.0
latitude	-0.924664	1.000000	0.011173	-0.036100	-0.
housing_median_age	-0.108197	0.011173	1.000000	-0.361262	-0.
total_rooms	0.044568	-0.036100	-0.361262	1.000000	0.9
total_bedrooms	0.069608	-0.066983	-0.320451	0.930380	1.0
population	0.099773	-0.108785	-0.296244	0.857126	8.0
households	0.055310	-0.071035	-0.302916	0.918484	0.9
median_income	-0.015176	-0.079809	-0.119034	0.198050	-0.
median_house_value	-0.045967	-0.144160	0.105623	0.134153	0.0

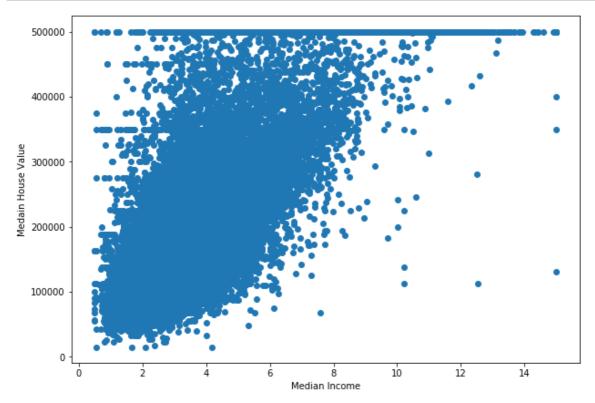
In [9]:

#Seaborn heatmap to view correlations between features in dataset
#Median income has a positive correlation against median house value
plt.figure(figsize=(8,6))
pltheatmap =sns.heatmap(corr)



## In [10]:

```
#Scatter plot of median income with median house value
plt.figure(figsize=(10,7))
plt.scatter(df_housing_dataset['median_income'],df_housing_dataset['median_house_value'
])
plt.title='Scatter plot to correlate median income vs median house value'
plt.xlabel('Median Income')
plt.ylabel('Medain House Value')
plt.show()
```



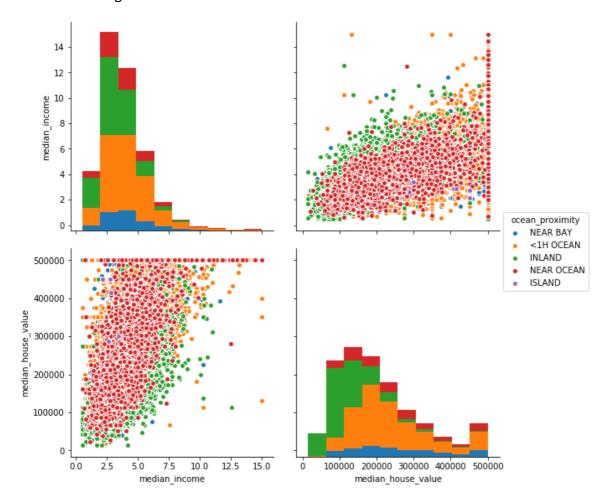
```
In [11]:
```

```
df_housing_dataset.ocean_proximity.unique()
Out[11]:
```

```
In [12]:
df_housing_dataset.ocean_proximity.isnull().sum()
Out[12]:
In [13]:
#Slice dataset and store independent and dependent variables
X = df_housing_dataset.iloc[:,:-1].values
y = df_housing_dataset.iloc[:,9].values
print (X,y)
[[-122.23 37.88 41 ... 126 8.3252 'NEAR BAY']
 [-122.22 37.86 21 ... 1138 8.3014 'NEAR BAY']
 [-122.24 37.85 52 ... 177 7.2574 'NEAR BAY']
 [-121.22 39.43 17 ... 433 1.7 'INLAND']
 [-121.32 39.43 18 ... 349 1.8672 'INLAND']
 [-121.24 39.37 16 ... 530 2.3886 'INLAND']] [452600 358500 352100 ... 92
300 84700 89400]
In [14]:
#Label Encode ocean proximity column
from sklearn.preprocessing import LabelEncoder
ocean proximity labelencoder = LabelEncoder()
X[:,8] = ocean_proximity_labelencoder.fit_transform(X[:,8])
In [15]:
X[:,8]
Out[15]:
array([3, 3, 3, ..., 1, 1, 1], dtype=object)
In [16]:
#Correlation between Ocean proximity and Median house value
corr1 = np.corrcoef(X[:,8].astype('float64'),y.astype('float64'))
print(corr1)
[[1.
             0.081750231
 [0.08175023 1.
                       ]]
```

## In [17]:

Out[17]:
<seaborn.axisgrid.PairGrid at 0x22c5ac79dd8>



# Handle missing values

# In [18]:

```
df_housing_dataset.isnull().sum()
```

## Out[18]:

longitude 0 latitude 0 housing\_median\_age 0 0 total\_rooms total\_bedrooms 207 population 0 households 0 median\_income 0 ocean\_proximity 0 median\_house\_value 0 dtype: int64

# In [19]:

```
df_X = pd.DataFrame(X)
```

## In [20]:

```
df_X.isnull().sum()
```

## Out[20]:

#### In [24]:

C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\deprecation.py:5
8: DeprecationWarning: Class Imputer is deprecated; Imputer was deprecated in version 0.20 and will be removed in 0.22. Import impute.SimpleImputer f rom sklearn instead.

warnings.warn(msg, category=DeprecationWarning)

### In [25]:

```
#Notice missing values in total bedrooms column have been imputed with mean of total be drooms  df_X = pd.DataFrame(X) \\ df_X.isnull().sum()
```

#### Out[25]:

- 0 0
- 1 0
- 2 0
- 3 0
- 4 0
- 5 0
- 6 6
- 7 0
- dtype: int64

# **Principal Component Analysis**

# In [26]:

X.shape

Out[26]:

(20640, 9)

#### In [27]:

```
#Feature Scaling
#from sklearn.preprocessing import StandardScaler
#stdsclr = StandardScaler()
#X_std = stdsclr.fit_transform(X)
from sklearn.preprocessing import StandardScaler
stdsclr = StandardScaler()
(stdsclr.fit(X))
X_std = stdsclr.fit_transform(X)
```

C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59
5: DataConversionWarning: Data with input dtype object was converted to fl
oat64 by StandardScaler.

warnings.warn(msg, DataConversionWarning)

C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59

5: DataConversionWarning: Data with input dtype object was converted to fl oat64 by StandardScaler.

warnings.warn(msg, DataConversionWarning)

C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59

5: DataConversionWarning: Data with input dtype object was converted to fl oat64 by StandardScaler.

warnings.warn(msg, DataConversionWarning)

#### In [28]:

```
#PCA
from sklearn.decomposition.pca import PCA
PCA = PCA(n_components=6)
principal_components = PCA.fit_transform(X_std)
```

#### In [29]:

```
principal_components
```

## Out[29]:

```
array([[-2.15719994, 1.70225453, 1.8547863, 1.70382331, 0.70467378, 0.14044674],

[ 2.87263151, 2.3047156, 1.9782144, 1.45640433, 0.22588098, -0.38227627],

[ -2.03519184, 1.79186986, 0.9709968, 1.89443788, 1.26251199, 0.04699636],

...,

[ -0.45515873, 1.6384034, -0.31193923, -1.51947927, -0.81951544, -0.24827694],

[ -0.86707319, 1.61941222, -0.20800024, -1.4886554, -0.79020992, -0.28420985],

[ 0.13316801, 1.6848017, -0.05224996, -1.36842899, -0.68749535, -0.17045861]])
```

#### In [30]:

```
#Cal the cumulative proportion of var explained by each component PCA.explained variance ratio
```

#### Out[30]:

```
array([0.43398133, 0.22466942, 0.11957182, 0.10398544, 0.08531692, 0.01648695])
```

#### In [31]:

```
df_X = pd.DataFrame(X)
print(df_X.columns)
```

RangeIndex(start=0, stop=9, step=1)

#### In [32]:

```
df_housing_dataset.head()
```

#### Out[32]:

	longitude	latitude	housing_median_age	total_rooms	total_bedrooms	populati
0	-122.23	37.88	41	880	129.0	322
1	-122.22	37.86	21	7099	1106.0	2401
2	-122.24	37.85	52	1467	190.0	496
3	-122.25	37.85	52	1274	235.0	558
4	-122.25	37.85	52	1627	280.0	565

#### In [33]:

```
# Dump components relations with features: This gives us the picture of how features ar
e related to components
print(pd.DataFrame(PCA.components_,columns=df_X.columns,index = ['PC-1','PC-2','PC-3',
'PC-4','PC-5','PC-6']))
```

2 3 4 5 6 PC-1 0.081446 -0.077765 -0.219732 0.482987 0.488518 0.471762 PC-2 -0.670071 0.655264 0.033190 0.084062 0.072089 0.031852 PC-3 -0.089342 0.065996 -0.428611 0.085889 -0.120442 -0.114825 -0.113064 PC-4 0.110276 -0.277884 0.419471 0.082480 0.029807 0.002983 0.041821 PC-5 -0.140912 0.061118 0.762079 0.085413 0.046079 0.096782 0.078822 PC-6 -0.113470 -0.073868 -0.042409 -0.313566 -0.391694 0.841691 -0.123976

```
7 8
PC-1 0.045539 -0.041798
PC-2 -0.032873 0.317125
PC-3 0.856744 -0.148639
PC-4 0.377072 0.763565
PC-5 0.290296 -0.535139
PC-6 0.052332 0.039623
```

```
In [34]:
```

```
principal_components.shape

Out[34]:
(20640, 6)
```

# **Machine Learning Model Selection and Training**

```
In [35]:
```

```
#Let's check our target label
y
Out[35]:
array([452600, 358500, 352100, ..., 92300, 84700, 89400], dtype=int64)
In [36]:
#Split Dataset for model training and testing [80/20 split]
#from sklearn.cross_validation import train_test_split
from sklearn.model_selection import train_test_split
X_train,X_test,y_train,y_test = train_test_split(principal_components,y, test_size=0.1, random_state=1)
In [37]:
X_train.shape
Out[37]:
(18576, 6)
```

# **Linear Regression ML Model**

```
Out[39]:
```

```
array([216366.32806176, 141489.28480139, 236970.65976977, ..., 407406.64357423, 208935.87886274, 199176.10996327])
```

```
In [40]:
```

```
#Quick check accuracy of the model
score = linReg.score(X_train,y_train)
print(score)
```

#### 0.5415486643334289

#### In [41]:

```
#Quick check accuracy of the model
score = linReg.score(X_test,y_test)
print(score)
```

#### 0.5350362554208468

### In [42]:

```
linreg_predictions = linReg.predict(X_test)
```

#### In [43]:

```
from sklearn.metrics import mean_squared_error
np.sqrt(mean_squared_error(y_test,linreg_predictions))
#RMSE below
```

Out[43]:

79072.94760163683

# **Decision Tree ML model**

#### In [44]:

```
#Train with DT model
from sklearn.tree import DecisionTreeRegressor
DTRegressor = DecisionTreeRegressor(max_depth=9, min_samples_split=5)
DTRegressor.fit(X_train,y_train)
```

#### Out[44]:

#### In [45]:

```
#Quick check accuracy of the model
score = DTRegressor.score(X_train,y_train)
print(score)
```

#### 0.7538343085921241

#### In [46]:

```
#Quick check accuracy of the model
score = DTRegressor.score(X_test,y_test)
print(score)
```

0.6347818324506117

In [47]:

```
DTR_predictions = DTRegressor.predict(X_test)
```

#### In [48]:

```
from sklearn.metrics import mean_squared_error
np.sqrt(mean_squared_error(y_test,DTR_predictions))
#RMSE below
```

Out[48]:

70080.07690286402

# Random Forest ML Model - Model prediction accuracy is good compared to LR and DT models

#### In [49]:

### In [50]:

```
#Make a Random forest pipeline
from sklearn.ensemble import RandomForestRegressor
from sklearn.pipeline import make_pipeline
pipeline = make_pipeline(RandomForestRegressor(n_estimators=50))
```

#### In [52]:

```
#Cross Validation to find best parameters
#from sklearn.grid_search import GridSearchCV
from sklearn.model selection import GridSearchCV
clf = GridSearchCV(pipeline, hyperparameters, cv=10)
# Fit and tune model
clf.fit(X_train, y_train)
Out[52]:
GridSearchCV(cv=10, error score='raise-deprecating',
       estimator=Pipeline(memory=None,
     steps=[('randomforestregressor', RandomForestRegressor(bootstrap=Tru
e, criterion='mse', max_depth=None,
           max_features='auto', max_leaf_nodes=None,
           min impurity decrease=0.0, min impurity split=None,
           min samples leaf=1, min samples split=2,
           min weight_fraction_leaf=0.0, n_estimators=50, n_jobs=None,
           oob score=False, random state=None, verbose=0, warm start=Fals
e))]),
       fit_params=None, iid='warn', n_jobs=None,
       param grid={'randomforestregressor max features': ['auto', 'sqrt',
'log2'], 'randomforestregressor__max_depth': [None, 5, 3, 1], 'randomfores
tregressor__min_samples_split': [2, 5], 'randomforestregressor__min_sample
s_leaf': [10, 5]},
       pre_dispatch='2*n_jobs', refit=True, return_train_score='warn',
       scoring=None, verbose=0)
In [53]:
clf.best_params_
Out[53]:
{'randomforestregressor__max_depth': None,
 'randomforestregressor max features': 'auto',
 'randomforestregressor__min_samples_leaf': 5,
 'randomforestregressor min samples split': 5}
In [54]:
clf.best score
Out[54]:
0.7427108313947447
```

```
In [55]:
```

```
clf.best estimator
Out[55]:
Pipeline(memory=None,
     steps=[('randomforestregressor', RandomForestRegressor(bootstrap=Tru
e, criterion='mse', max_depth=None,
           max_features='auto', max_leaf_nodes=None,
           min impurity_decrease=0.0, min_impurity_split=None,
           min samples leaf=5, min samples split=5,
           min_weight_fraction_leaf=0.0, n_estimators=50, n_jobs=None,
           oob score=False, random state=None, verbose=0, warm start=Fals
e))])
In [56]:
#Quick check accuracy of the model after CV
score = clf.score(X_train,y_train)
print(score)
0.8789239810104083
In [57]:
#Quick check accuracy of the model
score = clf.score(X_test,y_test)
print(score)
0.7389279737958411
In [58]:
X_test
Out[58]:
array([[ 0.165356 , -1.06409846, -0.64909599, -0.10464544, 0.86158045,
        -0.52274848],
       [-0.62981174, 0.38872249, -1.02298362, -0.37742015, 0.26363882,
        -0.16050481],
       [-0.94940543, 1.98117187, -0.50598625, 1.11304819, 0.5866817,
         0.43237097],
       [ 9.94353045, -0.33380172, -0.03629273, 0.54202254, -0.30348569,
        -4.77201298],
       [-1.87167268, -1.53793658, -0.0138332, -0.23525572, 0.41688408,
        -0.09706565],
       [-1.53844573, 1.2624476, 0.47595115, -0.61976029, 0.10913802,
        -0.04103344]])
In [59]:
RF_predictions = clf.predict(X_test)
```

In [60]:

```
from sklearn.metrics import mean_squared_error
np.sqrt(mean_squared_error(y_test,RF_predictions))
#RMSE below for the 10% test set [unseen data]
```

Out[60]:

59251.391364186624

# ML Model Training with only Median income feature to predict housing value

```
In [61]:
```

```
#Let's train the model only with median income and check how model behaves {\sf X}
```

# Out[61]:

#### In [62]:

```
df_X_final = pd.DataFrame(X)
df_X_final.head()
```

Out[62]:

	0	1	2	3	4	5	6	7	8
0	-122.23	37.88	41	880	129	322	126	8.3252	3
1	-122.22	37.86	21	7099	1106	2401	1138	8.3014	3
2	-122.24	37.85	52	1467	190	496	177	7.2574	3
3	-122.25	37.85	52	1274	235	558	219	5.6431	3
4	-122.25	37.85	52	1627	280	565	259	3.8462	3

#### In [63]:

```
X = np.delete(X,[0,1,2,3,4,5,6,8],axis=1)
```

```
In [64]:
Χ
Out[64]:
array([[8.3252],
       [8.3014],
       [7.2574],
       [1.7],
       [1.8672],
       [2.3886]], dtype=object)
In [77]:
#Split Dataset for model training and testing [80/20 split]
from sklearn.model_selection import train_test_split
X_train,X_test,y_train,y_test = train_test_split(X,y, test_size=1/4,random_state=0)
In [78]:
X_train.shape
Out[78]:
(15480, 1)
In [79]:
#Feature Scaling
from sklearn.preprocessing import StandardScaler
stdsclr = StandardScaler()
X train std = stdsclr.fit transform(X train)
C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59
5: DataConversionWarning: Data with input dtype object was converted to fl
oat64 by StandardScaler.
  warnings.warn(msg, DataConversionWarning)
C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59
5: DataConversionWarning: Data with input dtype object was converted to fl
oat64 by StandardScaler.
 warnings.warn(msg, DataConversionWarning)
In [80]:
#Feature Scaling
X_test_std = stdsclr.fit_transform(X_test)
C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59
5: DataConversionWarning: Data with input dtype object was converted to fl
oat64 by StandardScaler.
  warnings.warn(msg, DataConversionWarning)
C:\Users\SaiRam\Anaconda3\lib\site-packages\sklearn\utils\validation.py:59
5: DataConversionWarning: Data with input dtype object was converted to fl
oat64 by StandardScaler.
  warnings.warn(msg, DataConversionWarning)
```

#### In [81]:

```
#Linear Regression Model
from sklearn.linear_model import LinearRegression
linReg1 = LinearRegression()
linReg1.fit(X_train_std,y_train)
```

# Out[81]:

#### In [82]:

```
#Quick check accuracy of the model
score = linReg1.score(X_train_std,y_train)
print(score)
```

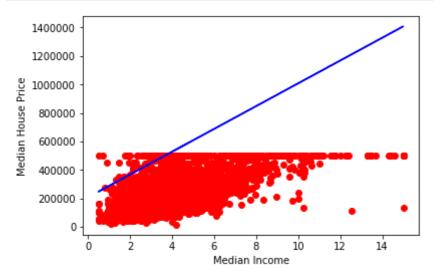
#### 0.48061930819884535

#### In [83]:

```
#Quick check accuracy of the model
score = linReg1.score(X_test_std,y_test)
print(score)
```

#### 0.45147717106069024

#### In [84]:



```
In [85]:
```

# In [86]:

```
linReg1.fit (X_Poly, y_train )
```

# Out[86]:

#### In [87]:

```
X_Poly_test = polyagent.fit_transform(X_test)
```

## In [88]:

```
score = linReg1.score(X_Poly,y_train)
print(score)
```

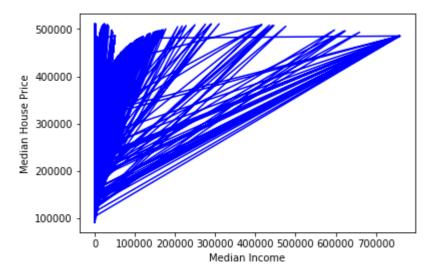
#### 0.4927588433614648

#### In [89]:

```
score = linReg1.score(X_Poly_test,y_test)
print(score)
```

#### 0.46653755542283765

#### In [90]:



#### In [91]:

```
#Let's fit DT Reg

from sklearn.tree import DecisionTreeRegressor

DTRegressor = DecisionTreeRegressor(max_depth=3)

DTRegressor.fit(X_train,y_train)
```

#### Out[91]:

#### In [92]:

```
#Quick check accuracy of the model on train
score = DTRegressor.score(X_train,y_train)
print(score)
```

#### 0.48925102276025023

#### In [93]:

