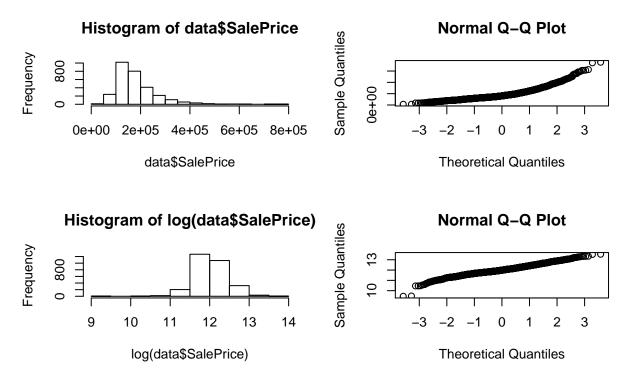
Ames Housing EDA and Cleaning

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The goal of this analysis is to predict the sale price of a piece of property in Ames, Iowa. First, we examine the distribution of both Sale Price and the log of Sale Price.

```
setwd("~/PracProj/Ames Housing Data/Ames-Housing-Data") #set working directory
data <- read.csv("AmesHousing.csv",row.names = 1)
par(mfrow=c(2,2))
hist(data$SalePrice)
qqnorm(data$SalePrice)
hist(log(data$SalePrice))
qqnorm(log(data$SalePrice))</pre>
```



```
data$logSalePrice <- log(data$SalePrice)</pre>
```

Each potential predictor was analyzed by itself (this was excluded due to length). Variables in the 'remove' group were removed for various reasons including a high percentage of NA or low variability between levels. For example, the utilities variable contained 2927 lots labeled 'AllPub', 1 labeled 'NoseWa', and 2 labeled 'Nosewr'. Variables in the 'convert' group were used to make new variables and then removed afterwards. For example, the second floor square footage variable was changed into a yes/no variable to indicate if the house had a second floor or not.

```
"Exterior.1st", "Exterior.2nd", 'Lot.Frontage')
convert <- c("Mas.Vnr.Type", "Bsmt.Full.Bath", "Bsmt.Half.Bath", "Mas.Vnr.Area", "Wood.Deck.SF",</pre>
              "Full.Bath", "Half.Bath", "Open.Porch.SF", "X2nd.Flr.SF", "Fireplaces",
              "Enclosed.Porch", "X3Ssn.Porch", "Screen.Porch", "Fence", "Mo.Sold", 'Garage.Type',
              'Garage.Yr.Blt', 'Garage.Finish')
# Function to change zeros to No and others to Yes
num.to.bin.cat <- function(list){</pre>
  no <- which(list %in% 0)</pre>
  yes <- which(!(list %in% 0))</pre>
  list[no] <- "No"</pre>
  list[yes] <- "Yes"</pre>
  return(as.factor(list))
}
# Change continuous variables to categrical
data$Mas.Vnr <- num.to.bin.cat(data$Mas.Vnr.Area)</pre>
data$Two.Floors <- num.to.bin.cat(data$X2nd.Flr.SF)</pre>
data$Fireplace <- num.to.bin.cat(data$Fireplaces)</pre>
data$Deck <- num.to.bin.cat(data$Wood.Deck.SF)</pre>
data$Porch <- data$Open.Porch.SF + data$Enclosed.Porch + data$X3Ssn.Porch + data$Screen.Porch
data$Porch <- num.to.bin.cat(data$Porch)</pre>
# Convert categorical variables down to two level
data$Fence <- as.vector(data$Fence)</pre>
data$Fence[which(!is.na(data$Fence))] <- "Yes"</pre>
data$Fence[which(is.na(data$Fence))] <- "No"</pre>
data$Fence <- as.factor(data$Fence)</pre>
# Represent bathrooms by single number
data$Bath <- (data$Bsmt.Full.Bath + data$Bsmt.Half.Bath/2)+ (data$Full.Bath + data$Half.Bath/2)
# Garage or not
data$Garage[which(!is.na(data$Garage.Yr.Blt))] <- "Yes"</pre>
data$Garage[which(is.na(data$Garage.Yr.Blt))] <- "No"</pre>
# month to season
data$Mo.Sold <- data$Mo.Sold +1
data$Mo.Sold[which(data$Mo.Sold %in% 13)] = 1
data$Season <- ceiling( data$Mo.Sold/3)</pre>
seasons <- c("Winter", "Spring", "Summer", "Fall")</pre>
seas_int <- c(1,2,3,4)
winter <- c(12,1,2)
spring <-c(3,4,5)
summer <-c(6.7,8)
fall \leftarrow c(9,10,11)
for (i in 1:length(seas_int)) {
row <- which( data$Season %in% seas_int[i])</pre>
 data$Season[row] = seasons[i]
```

```
#Remove variables
data.clean <- data[,-c( which(names(data) %in% remove), which(names(data) %in% convert))]
The top 5 largest houses were removed from the data set since they were high outliers. Eighty-one observations
were removed due to missing data.
tail(sort(data.clean$Gr.Liv.Area), n = 50) # exclude houses over 4,000 sq ft as suggested in handout
  [1] 2787 2787 2787 2790 2792 2794 2795 2798 2799 2810 2814 2822 2826 2828
## [15] 2840 2855 2868 2872 2872 2898 2944 2945 2956 2978 3005 3078 3082 3086
## [29] 3086 3112 3140 3194 3222 3228 3238 3279 3390 3395 3447 3493 3500 3608
## [43] 3627 3672 3820 4316 4476 4676 5095 5642
data.clean <- data.clean[ which(data.clean$Gr.Liv.Area < 4000), ]</pre>
                                                                         #remove houses over 4,000 sq ft
na_count <-sapply(data.clean, function(y) sum(length(which(is.na(y)))))</pre>
na_count
##
         Lot.Area
                        Lot.Shape
                                       Lot.Config
                                                        Bldg.Type
                                                                      House.Style
##
##
     Overall.Qual
                     Overall.Cond
                                       Year.Built Year.Remod.Add
                                                                       Exter.Qual
##
                                                0
       Exter.Cond
                                                   Bsmt.Exposure BsmtFin.Type.1
##
                       Foundation
                                        Bsmt.Qual
##
                                               79
                                                               79
##
      Bsmt.Unf.SF
                    Total.Bsmt.SF
                                       Heating.QC
                                                      Central.Air
                                                                      Gr.Liv.Area
##
                                                                0
                 1
                     Kitchen.Qual
                                                       Functional
##
    Bedroom.AbvGr
                                    TotRms.AbvGrd
                                                                      Garage.Cars
##
                                0
                                                                0
##
      Garage.Area
                      Paved.Drive
                                         Misc.Val
                                                          Yr.Sold
                                                                        Sale.Type
##
                                                                0
##
   Sale.Condition
                        SalePrice
                                     logSalePrice
                                                          Mas.Vnr
                                                                       Two.Floors
##
                                 0
                                                 0
                                                                0
##
        Fireplace
                             Deck
                                            Porch
                                                             Bath
                                                                           Garage
                                                                 2
                                                                                0
##
                                 0
                                                 0
##
           Season
##
                 Λ
data.final = na.omit(data.clean)
Create 80% train and 20% test set and store in new CSV files.
set.seed(555)
trainindex <- sample.int(nrow(data.final), size = nrow(data.final)*.80, replace= FALSE) # 80/20 split
Amestrain <- data.final[trainindex,]</pre>
Amestest <- data.final[-trainindex,]
#write.csv(Amestrain, file="Amestrain.csv", quote=F, row.names=F)
#write.csv(Amestest, file="Amestest.csv", quote=F, row.names=F)
```