

# House Prices: Advanced Regression Techniques

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<https://www.kaggle.com/c/house-prices-advanced-regression-techniques> (<https://www.kaggle.com/c/house-prices-advanced-regression-techniques>)

Ask a home buyer to describe their dream house, and they probably won't begin with the height of the basement ceiling or the proximity to an east-west railroad. But this playground competition's dataset proves that much more influences price negotiations than the number of bedrooms or a white-picket fence. With 79 explanatory variables describing (almost) every aspect of residential homes in Ames, Iowa, this competition challenges you to predict the final price of each home.

The Ames Housing dataset was compiled by Dean De Cock for use in data science education. It's an incredible alternative for data scientists looking for a modernized and expanded version of the often cited Boston Housing dataset.

## Query Documentation

<http://alanpryorjr.com/visualizations/seaborn/heatmap/heatmap/>  
(<http://alanpryorjr.com/visualizations/seaborn/heatmap/heatmap/>)  
<https://seaborn.pydata.org/tutorial/categorical.html> (<https://seaborn.pydata.org/tutorial/categorical.html>)  
<http://pbpython.com/pandas-pivot-table-explained.html> (<http://pbpython.com/pandas-pivot-table-explained.html>)

## Data Description

MSSubClass: Identifies the type of dwelling involved in the sale.

MSZoning: Identifies the general zoning classification of the sale.

LotFrontage: Linear feet of street connected to property

LotArea: Lot size in square feet

Street: Type of road access to property

Alley: Type of alley access to property

LotShape: General shape of property

LandContour: Flatness of the property

Utilities: Type of utilities available

LotConfig: Lot configuration

LandSlope: Slope of property

Neighborhood: Physical locations within Ames city limits

Condition1: Proximity to various conditions

Condition2: Proximity to various conditions (if more than one is present)

BldgType: Type of dwelling

Conversion; originally built as one-family dwelling

HouseStyle: Style of dwelling

OverallQual: Rates the overall material and finish of the house

OverallCond: Rates the overall condition of the house

YearBuilt: Original construction date Year

RemodAdd: Remodel date (same as construction date if no remodeling or additions)

RoofStyle: Type of roof

RoofMatl: Roof material

Exterior1st: Exterior covering on house

Exterior2nd: Exterior covering on house (if more than one material)

MasVnrType: Masonry veneer type

MasVnrArea: Masonry veneer area in square feet

ExterQual: Evaluates the quality of the material on the exterior

ExterCond: Evaluates the present condition of the material on the exterior

Foundation: Type of foundation

BsmtQual: Evaluates the height of the basement

BsmtCond: Evaluates the general condition of the basement

BsmtExposure: Refers to walkout or garden level walls

BsmtFinType1: Rating of basement finished area

BsmtFinSF1: Type 1 finished square feet

BsmtFinType2: Rating of basement finished area (if multiple types)

BsmtFinSF2: Type 2 finished square feet

BsmtUnfSF: Unfinished square feet of basement area Total

BsmtSF: Total square feet of basement area

Heating: Type of heating

HeatingQC: Heating quality and condition

CentralAir: Central air conditioning

Electrical: Electrical system

Romex wiring (Average)

1stFlrSF: First Floor square feet

2ndFlrSF: Second floor square feet

Low QualFinSF: Low quality finished square feet (all floors)

GrLivArea: Above grade (ground) living area square feet

BsmtFullBath: Basement full bathrooms

BsmtHalfBath: Basement half bathrooms

FullBath: Full bathrooms above grade

HalfBath: Half baths above grade

Bedroom: Bedrooms above grade (does NOT include basement bedrooms)

Kitchen: Kitchens above grade

KitchenQual: Kitchen quality

TotRmsAbvGrd: Total rooms above grade (does not include bathrooms)

Functional: Home functionality (Assume typical unless deductions are warranted)

Fireplaces: Number of fireplaces

FireplaceQu: Fireplace quality

Fireplace in main living area or Masonry Fireplace in basement

GarageType: Garage location

GarageYrBlt: Year garage was built

GarageFinish: Interior finish of the garage

GarageCars: Size of garage in car capacity

GarageArea: Size of garage in square feet

GarageQual: Garage quality

GarageCond: Garage condition

PavedDrive: Paved driveway

WoodDeckSF: Wood deck area in square feet

OpenPorchSF: Open porch area in square feet

EnclosedPorch: Enclosed porch area in square feet

3SsnPorch: Three season porch area in square feet

ScreenPorch: Screen porch area in square feet

PoolArea: Pool area in square feet

PoolQC: Pool quality

Fence: Fence quality

MiscFeature: Miscellaneous feature not covered in other categories

MiscVal: \$Value of miscellaneous feature

MoSold: Month Sold (MM)

YrSold: Year Sold (YYYY)

SaleType: Type of sale

SaleCondition: Condition of sale

In [3]:

```
# Load the python packages
import sys
import pandas as pd
import matplotlib.pyplot as plt
import numpy as np
import seaborn as sns
%matplotlib inline
```

In the Kaggle House Prices challenge we are given two sets of data:

1. A training set which contains data about houses and their sale prices.
2. A test set which contains data about a different set of houses, for which we would like to predict sale price.

In [4]:

```
# Read files
df_train = pd.read_csv("house_prices_train.csv")
df_test  = pd.read_csv('house_prices_test.csv')
```

## 1. Pre Processing

In [5]:

```
# Scan information files  
df = df_train  
df.info()
```

```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 1460 entries, 0 to 1459
Data columns (total 81 columns):
Id                1460 non-null int64
MSSubClass        1460 non-null int64
MSZoning          1460 non-null object
LotFrontage       1201 non-null float64
LotArea           1460 non-null int64
Street            1460 non-null object
Alley             91 non-null object
LotShape          1460 non-null object
LandContour       1460 non-null object
Utilities         1460 non-null object
LotConfig         1460 non-null object
LandSlope         1460 non-null object
Neighborhood      1460 non-null object
Condition1        1460 non-null object
Condition2        1460 non-null object
BldgType          1460 non-null object
HouseStyle        1460 non-null object
OverallQual       1460 non-null int64
OverallCond       1460 non-null int64
YearBuilt         1460 non-null int64
YearRemodAdd      1460 non-null int64
RoofStyle         1460 non-null object
RoofMatl          1460 non-null object
Exterior1st       1460 non-null object
Exterior2nd       1460 non-null object
MasVnrType        1452 non-null object
MasVnrArea        1452 non-null float64
ExterQual         1460 non-null object
ExterCond         1460 non-null object
Foundation        1460 non-null object
BsmtQual          1423 non-null object
BsmtCond          1423 non-null object
BsmtExposure      1422 non-null object
BsmtFinType1      1423 non-null object
BsmtFinSF1        1460 non-null int64
BsmtFinType2      1422 non-null object
BsmtFinSF2        1460 non-null int64
BsmtUnfSF         1460 non-null int64
TotalBsmtSF       1460 non-null int64
Heating           1460 non-null object
HeatingQC         1460 non-null object
CentralAir        1460 non-null object
Electrical        1459 non-null object
1stFlrSF          1460 non-null int64
2ndFlrSF          1460 non-null int64
LowQualFinSF      1460 non-null int64
GrLivArea         1460 non-null int64
BsmtFullBath      1460 non-null int64
BsmtHalfBath      1460 non-null int64
FullBath          1460 non-null int64
HalfBath          1460 non-null int64
BedroomAbvGr      1460 non-null int64
KitchenAbvGr      1460 non-null int64
KitchenQual       1460 non-null object
TotRmsAbvGrd      1460 non-null int64
Functional        1460 non-null object
Fireplaces        1460 non-null int64
FireplaceQu       770 non-null object

```

```

GarageType      1379 non-null object
GarageYrBlt     1379 non-null float64
GarageFinish    1379 non-null object
GarageCars      1460 non-null int64
GarageArea      1460 non-null int64
GarageQual      1379 non-null object
GarageCond      1379 non-null object
PavedDrive     1460 non-null object
WoodDeckSF     1460 non-null int64
OpenPorchSF     1460 non-null int64
EnclosedPorch  1460 non-null int64
3SsnPorch      1460 non-null int64
ScreenPorch    1460 non-null int64
PoolArea       1460 non-null int64
PoolQC         7 non-null object
Fence          281 non-null object
MiscFeature     54 non-null object
MiscVal        1460 non-null int64
MoSold         1460 non-null int64
YrSold         1460 non-null int64
SaleType       1460 non-null object
SaleCondition  1460 non-null object
SalePrice      1460 non-null int64
dtypes: float64(3), int64(35), object(43)
memory usage: 924.0+ KB

```

## Numeric informations:

SalePrice - Preço

YrSold - Ano de venda

MoSold - Mes de venda

MiscVal: \$Value of miscellaneous feature - Valor de melhorias aplicadas no imóvel

PoolArea - are de piscina

OpenPorchSF- Área de varanda aberta

WoodDeckS - Área de deck de madeira

GarageCars: Size of garage in car capacity

GarageArea: Size of garage

Fireplaces - Number of fireplaces - NUmero lareiras

1stFlrSF: First Floor square feet (m2 do 1 andar)

TotRmsAbvGrd: Total de quartos acima do nível (não inclui banheiros)

FullBath: banheiros completos acima do nível

Kitchen: Kitchens above grade (n. cozinhas)

LotFrontage: Pés lineares de rua conectados à propriedade

LotArea: Tamanho do lote em pés quadrados



*We have : 1460, entries:*

we have records with various null information, the most significant being::

- PoolQC(piscina) 7 non-null object
- Fence(cerca) 281 non-null object
- MiscFeature(melhorias) 54 non-null object
- FireplaceQu(lareira) 770 non-null object
- Alley(rua) 91 non-null object

In [6]:

```
# Count null data in each column  
df.isnull().sum()
```

Out[6]:

Id	0
MSSubClass	0
MSZoning	0
LotFrontage	259
LotArea	0
Street	0
Alley	1369
LotShape	0
LandContour	0
Utilities	0
LotConfig	0
LandSlope	0
Neighborhood	0
Condition1	0
Condition2	0
BldgType	0
HouseStyle	0
OverallQual	0
OverallCond	0
YearBuilt	0
YearRemodAdd	0
RoofStyle	0
RoofMatl	0
Exterior1st	0
Exterior2nd	0
MasVnrType	8
MasVnrArea	8
ExterQual	0
ExterCond	0
Foundation	0
...	
BedroomAbvGr	0
KitchenAbvGr	0
KitchenQual	0
TotRmsAbvGrd	0
Functional	0
Fireplaces	0
FireplaceQu	690
GarageType	81
GarageYrBlt	81
GarageFinish	81
GarageCars	0
GarageArea	0
GarageQual	81
GarageCond	81
PavedDrive	0
WoodDeckSF	0
OpenPorchSF	0
EnclosedPorch	0
3SsnPorch	0
ScreenPorch	0
PoolArea	0
PoolQC	1453
Fence	1179
MiscFeature	1406
MiscVal	0
MoSold	0
YrSold	0
SaleType	0

```
SaleCondition      0
SalePrice          0
Length: 81, dtype: int64
```

In [7]:

```
# visualization some lines
df.head()
```

Out[7]:

	Id	MSSubClass	MSZoning	LotFrontage	LotArea	Street	Alley	LotShape	Land
0	1	60	RL	65.0	8450	Pave	NaN	Reg	Lvl
1	2	20	RL	80.0	9600	Pave	NaN	Reg	Lvl
2	3	60	RL	68.0	11250	Pave	NaN	IR1	Lvl
3	4	70	RL	60.0	9550	Pave	NaN	IR1	Lvl
4	5	60	RL	84.0	14260	Pave	NaN	IR1	Lvl

5 rows × 81 columns

In [8]:

```
# statistical measures
df.describe()
```

Out[8]:

	Id	MSSubClass	LotFrontage	LotArea	OverallQual	Overall
<b>count</b>	1460.000000	1460.000000	1201.000000	1460.000000	1460.000000	1460.000000
<b>mean</b>	730.500000	56.897260	70.049958	10516.828082	6.099315	5.575000
<b>std</b>	421.610009	42.300571	24.284752	9981.264932	1.382997	1.112700
<b>min</b>	1.000000	20.000000	21.000000	1300.000000	1.000000	1.000000
<b>25%</b>	365.750000	20.000000	59.000000	7553.500000	5.000000	5.000000
<b>50%</b>	730.500000	50.000000	69.000000	9478.500000	6.000000	5.000000
<b>75%</b>	1095.250000	70.000000	80.000000	11601.500000	7.000000	6.000000
<b>max</b>	1460.000000	190.000000	313.000000	215245.000000	10.000000	9.000000

8 rows × 38 columns

## Analysis of numerical columns

**Note that there are very disparate columns in the column-by-column evaluation. This can be observed by the minimum and maximum values of the numeric columns**

-----min --- max

LotFrontage = 21.0 - 313.0

LotArea = 1300.0 - 215245.0

MasVnrArea(area alvenaria) = 0.0 - 1600.0

MiscVal(melhorias) = 0.0 - 15500.0

In [9]:

```
# Type data information  
df.info()
```

```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 1460 entries, 0 to 1459
Data columns (total 81 columns):
Id                1460 non-null int64
MSSubClass        1460 non-null int64
MSZoning          1460 non-null object
LotFrontage       1201 non-null float64
LotArea           1460 non-null int64
Street            1460 non-null object
Alley             91 non-null object
LotShape          1460 non-null object
LandContour       1460 non-null object
Utilities         1460 non-null object
LotConfig         1460 non-null object
LandSlope         1460 non-null object
Neighborhood      1460 non-null object
Condition1        1460 non-null object
Condition2        1460 non-null object
BldgType          1460 non-null object
HouseStyle        1460 non-null object
OverallQual       1460 non-null int64
OverallCond       1460 non-null int64
YearBuilt         1460 non-null int64
YearRemodAdd      1460 non-null int64
RoofStyle         1460 non-null object
RoofMatl          1460 non-null object
Exterior1st       1460 non-null object
Exterior2nd       1460 non-null object
MasVnrType        1452 non-null object
MasVnrArea        1452 non-null float64
ExterQual         1460 non-null object
ExterCond         1460 non-null object
Foundation        1460 non-null object
BsmtQual          1423 non-null object
BsmtCond          1423 non-null object
BsmtExposure      1422 non-null object
BsmtFinType1      1423 non-null object
BsmtFinSF1        1460 non-null int64
BsmtFinType2      1422 non-null object
BsmtFinSF2        1460 non-null int64
BsmtUnfSF         1460 non-null int64
TotalBsmtSF       1460 non-null int64
Heating           1460 non-null object
HeatingQC         1460 non-null object
CentralAir        1460 non-null object
Electrical        1459 non-null object
1stFlrSF          1460 non-null int64
2ndFlrSF          1460 non-null int64
LowQualFinSF      1460 non-null int64
GrLivArea         1460 non-null int64
BsmtFullBath      1460 non-null int64
BsmtHalfBath      1460 non-null int64
FullBath          1460 non-null int64
HalfBath          1460 non-null int64
BedroomAbvGr      1460 non-null int64
KitchenAbvGr      1460 non-null int64
KitchenQual       1460 non-null object
TotRmsAbvGrd      1460 non-null int64
Functional        1460 non-null object
Fireplaces        1460 non-null int64
FireplaceQu       770 non-null object

```

```

GarageType      1379 non-null object
GarageYrBlt     1379 non-null float64
GarageFinish    1379 non-null object
GarageCars      1460 non-null int64
GarageArea      1460 non-null int64
GarageQual      1379 non-null object
GarageCond      1379 non-null object
PavedDrive      1460 non-null object
WoodDeckSF      1460 non-null int64
OpenPorchSF     1460 non-null int64
EnclosedPorch   1460 non-null int64
3SsnPorch       1460 non-null int64
ScreenPorch     1460 non-null int64
PoolArea        1460 non-null int64
PoolQC          7 non-null object
Fence           281 non-null object
MiscFeature     54 non-null object
MiscVal         1460 non-null int64
MoSold          1460 non-null int64
YrSold          1460 non-null int64
SaleType        1460 non-null object
SaleCondition    1460 non-null object
SalePrice       1460 non-null int64
dtypes: float64(3), int64(35), object(43)
memory usage: 924.0+ KB

```

In [10]:

```

# For the columns that have missing data, one option is delete column because have many null itens,
# or replace the num entry by a default code.

# - PoolQC(piscina) 7 non-null object
# - Fence(cerca) 281 non-null objec
# - MiscFeature(melhorias) 54 non-null object
# - FireplaceQu(lareira) 770 non-null object
# - Alley(rua) 91 non-null object

# to erase the column use:
# del df['PoolQC']

```

In [11]:

```
#del df['Fence']
```

In [12]:

```
#del df['MiscFeature']
```

In [13]:

```
#del df['FireplaceQu']
```

## Missing Data

To get an overview of this, let's find all columns with missing values and count how many each of them has:



In [315]:

```
# Counting missing values in X_Test and X_Train
def count_missing(data):
    null_cols = data.columns[data.isnull().any(axis=0)]
    X_null = data[null_cols].isnull().sum()
    X_null = X_null.sort_values(ascending=False)
    print(X_null)

# Concatenate df_train and df_test
data_X = pd.concat([df_train, df_test])

count_missing(data_X)
```

C:\ProgramData\Anaconda3\lib\site-packages\ipykernel\_launcher.py:9: Future Warning: Sorting because non-concatenation axis is not aligned. A future version of pandas will change to not sort by default.

To accept the future behavior, pass 'sort=False'.

To retain the current behavior and silence the warning, pass 'sort=True'.

```
if __name__ == '__main__':
```

```
PoolQC          2909
MiscFeature     2814
Alley           2721
Fence           2348
SalePrice       1459
FireplaceQu     1420
LotFrontage     486
GarageQual      159
GarageCond      159
GarageFinish    159
GarageYrBlt     159
GarageType      157
BsmtExposure    82
BsmtCond        82
BsmtQual        81
BsmtFinType2    80
BsmtFinType1    79
MasVnrType      24
MasVnrArea      23
MSZoning         4
BsmtFullBath    2
BsmtHalfBath    2
Utilities       2
Functional       2
Electrical       1
BsmtUnfSF       1
Exterior1st     1
Exterior2nd     1
TotalBsmtSF     1
GarageCars      1
BsmtFinSF2      1
BsmtFinSF1      1
KitchenQual     1
SaleType        1
GarageArea      1
dtype: int64
```

Some of the missing values are indeed significant. For example, missing values for features related to garage, pool or basement simply indicate that the house does not have a garage, pool or basement, respectively. In this case, it makes sense to fill in these missing values with something that captures this information.

For categorical resources, for example, we can replace missing values in such cases with a new value called "None":

In [316]:

```
catfeats_fillnaNone = \
    ['Alley',
     'BsmtCond', 'BsmtQual', 'BsmtExposure',
     'BsmtFinType1', 'BsmtFinType2',
     'FireplaceQu',
     'GarageType', 'GarageFinish', 'GarageQual', 'GarageCond',
     'PoolQC',
     'Fence',
     'MiscFeature']

data_X.loc[:, catfeats_fillnaNone] = \
    data_X[catfeats_fillnaNone].fillna('None')
```

In [317]:

```
# Counting missing values in X_Test and X_Train
```

```
count_missing(data_X)
```

```
SalePrice      1459
LotFrontage    486
GarageYrBlt     159
MasVnrType      24
MasVnrArea      23
MSZoning        4
Utilities       2
BsmtFullBath    2
BsmtHalfBath    2
Functional      2
Exterior1st     1
BsmtFinSF2      1
BsmtUnfSF       1
Electrical      1
GarageCars      1
Exterior2nd     1
GarageArea      1
TotalBsmtSF     1
KitchenQual     1
SaleType        1
BsmtFinSF1      1
dtype: int64
```

We see that the features no longer appear with null values:

'Alley', 'BsmtCond', 'BsmtQual', 'BsmtExposure', 'BsmtFinType1', 'BsmtFinType2', 'FireplaceQu', 'GarageType', 'GarageFinish', 'GarageQual', 'GarageCond', 'PoolQC', 'Fence', 'MiscFeature'

For most numerical features of this kind, it makes sense to replace the missing values with zero:

In [318]:

```
numfeats_fillnzero = \
    ['BsmtFullBath', 'BsmtHalfBath', 'TotalBsmtSF',
     'BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF',
     'GarageArea', 'GarageCars']

data_X.loc[:, numfeats_fillnzero] = \
    data_X[numfeats_fillnzero].fillna(0)
```

In [319]:

```
# Counting missing values in X_Test and X_Train

count_missing(data_X)
```

```
SalePrice      1459
LotFrontage    486
GarageYrBlt     159
MasVnrType      24
MasVnrArea      23
MSZoning         4
Utilities        2
Functional       2
SaleType         1
KitchenQual      1
Exterior2nd      1
Exterior1st      1
Electrical       1
dtype: int64
```

We see that the features no longer appear with null values:

'BsmtFullBath', 'BsmtHalfBath', 'TotalBsmtSF', 'BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF', 'GarageArea', 'GarageCars'

For the GarageYrBuilt field, where the best course of action is less clear. If the house does not have a garage, how can we tell when it was built? The best solution will probably depend on the model we decided to use and now let's fill it with YearBuilt:

In [320]:

```
# Data Missing for GarageYrBlt
data_X.loc[:, 'GarageYrBlt'] = \
    data_X['GarageYrBlt'].fillna(data_X.YearBuilt)
```

In [321]:

```
# Counting missing values in X_Test and X_Train

count_missing(data_X)
```

```
SalePrice      1459
LotFrontage    486
MasVnrType      24
MasVnrArea      23
MSZoning        4
Utilities       2
Functional      2
SaleType        1
KitchenQual     1
Exterior2nd     1
Exterior1st     1
Electrical      1
dtype: int64
```

Some values still missing. We may assume that they are missing at random. In this case, there are three main options open to us: delete, impute or leave.

The crudest option is to simply replace each missing entry by the mean, median or mode of the given feature, which gives us the roughest possible estimate for what the missing value might be. We can implement this for our house prices dataset as follows (using mode and median for categorical and numerical features respectively):

In [322]:

```
# Fill Missing Values with MODE

catfeats_fillnamode = \
    ['Electrical', 'MasVnrType', 'MSZoning', 'Functional', 'Utilities',
     'Exterior1st', 'Exterior2nd', 'KitchenQual', 'SaleType']

data_X.loc[:, catfeats_fillnamode] = \
    data_X[catfeats_fillnamode].fillna(data_X[catfeats_fillnamode].mode().iloc[0])
```

In [323]:

```
# Fill Missing Values with MEDIAN

numfeats_fillnamedian = ['MasVnrArea', 'LotFrontage']

data_X.loc[:, numfeats_fillnamedian] = \
    data_X[numfeats_fillnamedian].fillna(data_X[numfeats_fillnamedian].median())
```

In [324]:

```
# Counting missing values in X_Test and X_Train

count_missing(data_X)
```

```
SalePrice      1459
dtype: int64
```

In [326]:

```
# Fill Missing Values with MEAN

numfeats_fillnamedian = ['SalePrice']

data_X.loc[:, numfeats_fillnamedian] = \
    data_X[numfeats_fillnamedian].fillna(data_X[numfeats_fillnamedian].mean())
```

In [327]:

```
# Counting missing values in X_Test and X_Train

count_missing(data_X)
```

Series([], dtype: float64)

In [328]:

```
# Count the number of features we have of each type:
data_X.dtypes.value_counts()
```

Out[328]:

```
object      43
int64       26
float64     12
dtype: int64
```

In [329]:

```
# We can retrieve the names of features that are in fact non-numerical 'objects' as follows:
data_X.select_dtypes(include = [object]).columns
```

Out[329]:

```
Index(['Alley', 'BldgType', 'BsmtCond', 'BsmtExposure', 'BsmtFinType1',
      'BsmtFinType2', 'BsmtQual', 'CentralAir', 'Condition1', 'Condition2',
      'Electrical', 'ExterCond', 'ExterQual', 'Exterior1st', 'Exterior2nd',
      'Fence', 'FireplaceQu', 'Foundation', 'Functional', 'GarageCond',
      'GarageFinish', 'GarageQual', 'GarageType', 'Heating', 'HeatingQC',
      'HouseStyle', 'KitchenQual', 'LandContour', 'LandSlope', 'LotConfiguration',
      'LotShape', 'MSZoning', 'MasVnrType', 'MiscFeature', 'Neighborhood',
      'PavedDrive', 'PoolQC', 'RoofMatl', 'RoofStyle', 'SaleCondition',
      'SaleType', 'Street', 'Utilities'],
      dtype='object')
```

## Ordinal features

Since ordinal features are inherently ordered, they lend themselves naturally to numerical encoding. For example, the possible values for LotShape are Reg (regular), IR1 (slightly irregular), IR2 (moderately irregular) and IR3 (irregular), to which we could assign the values (0,1,2,3) respectively:

In [330]:

```
# Convert LotShape to numbers
data_X.LotShape = \
    data_X.LotShape.replace({'Reg':0, 'IR1':1, 'IR2':2, 'IR3':3})
```

In [331]:

```
data_X.LotShape.head()
```

Out[331]:

```
0    0
1    0
2    1
3    1
4    1
Name: LotShape, dtype: int64
```

In [332]:

```
# Verify all distinct values for a column - Utilities
data_X["Utilities"].value_counts()
```

Out[332]:

```
AllPub    2918
NoSeWa     1
Name: Utilities, dtype: int64
```

In [333]:

```
# We have all values with the same carecteristic AllPub.
# We could delete this column

del data_X["Utilities"]
```

In [334]:

```
# Verify all distinct values for a column - Street
data_X["Street"].value_counts()
```

Out[334]:

```
Pave    2907
Grvl     12
Name: Street, dtype: int64
```

In [335]:

```
# We have the most values with the same carecteristic Pave.
# We could delete this column - Street

del data_X["Street"]
```

## Ordinal encoding

There is nothing to stop us from applying ordinal encoding to categorical features as well. For instance, we could assign integers to each possible category in alphabetical order or in order of appearance in the dataset. As an example, let's have a look at the first few Neighborhood entries in the test set:

In [336]:

```
data_X.Neighborhood.head(10)
```

Out[336]:

```
0    CollgCr
1    Veenker
2    CollgCr
3    Crawfor
4    NoRidge
5    Mitchel
6    Somerst
7    NWAmes
8    OldTown
9    BrkSide
Name: Neighborhood, dtype: object
```

Applying ordinal encoding (in order of appearance), we get the following:

In [337]:

```
# Verify all distinct values for a column - Neighborhood
data_X["Neighborhood"].value_counts()
```

Out[337]:

```
NAmes      443
CollgCr    267
OldTown    239
Edwards    194
Somerst    182
NridgHt    166
Gilbert    165
Sawyer     151
NWAmes     131
SawyerW    125
Mitchel    114
BrkSide    108
Crawfor    103
IDOTRR     93
Timber     72
NoRidge    71
StoneBr    51
SWISU      48
ClearCr    44
MeadowV    37
BrDale     30
Blmngtn    28
Veenker    24
NPkVill    23
Blueste    10
Name: Neighborhood, dtype: int64
```

In [338]:

```
# Create a List with Values
target_names = data_X["Neighborhood"].unique()
target_names
```

Out[338]:

```
array(['CollgCr', 'Veenker', 'Crawfor', 'NoRidge', 'Mitchel', 'Somerst',
      'NWAmes', 'OldTown', 'BrkSide', 'Sawyer', 'NridgHt', 'NAmes',
      'SawyerW', 'IDOTRR', 'MeadowV', 'Edwards', 'Timber', 'Gilbert',
      'StoneBr', 'ClearCr', 'NPkVill', 'Blmngtn', 'BrDale', 'SWISU',
      'Blueste'], dtype=object)
```

In [346]:

```
# Create a dictionary with Values and index
target_dict = {n:i for i, n in enumerate(target_names)}
target_dict
```

Out[346]:

```
{'Blmngtn': 21,
 'Blueste': 24,
 'BrDale': 22,
 'BrkSide': 8,
 'ClearCr': 19,
 'CollgCr': 0,
 'Crawfor': 2,
 'Edwards': 15,
 'Gilbert': 17,
 'IDOTRR': 13,
 'MeadowV': 14,
 'Mitchel': 4,
 'NAmes': 11,
 'NPkVill': 20,
 'NWAmes': 6,
 'NoRidge': 3,
 'NridgHt': 10,
 'OldTown': 7,
 'SWISU': 23,
 'Sawyer': 9,
 'SawyerW': 12,
 'Somerst': 5,
 'StoneBr': 18,
 'Timber': 16,
 'Veenker': 1}
```

In [340]:

```
# Convert to numbers - Neighborhood
data_X.Neighborhood = data_X.Neighborhood.replace(target_dict)
```



In [341]:

```
data_X.Neighborhood.head()
```

Out[341]:

```
0    0
1    1
2    0
3    2
4    3
Name: Neighborhood, dtype: int64
```

In [148]:

```
# Create dataframe backup
#data_Back = data_X
# Create dataframe with Neighborhood characteristics
data_X1 = pd.get_dummies(data_X.Neighborhood, drop_first=True)
```

In [149]:

```
data_X1.info()
```

```
<class 'pandas.core.frame.DataFrame'>
Int64Index: 2919 entries, 0 to 1458
Data columns (total 24 columns):
Blueste      2919 non-null uint8
BrDale       2919 non-null uint8
BrkSide      2919 non-null uint8
ClearCr      2919 non-null uint8
CollgCr      2919 non-null uint8
Crawfor      2919 non-null uint8
Edwards      2919 non-null uint8
Gilbert      2919 non-null uint8
IDOTRR       2919 non-null uint8
MeadowV      2919 non-null uint8
Mitchel      2919 non-null uint8
NAmes        2919 non-null uint8
NPkVill      2919 non-null uint8
NWAmes       2919 non-null uint8
NoRidge      2919 non-null uint8
NridgHt      2919 non-null uint8
OldTown      2919 non-null uint8
SWISU        2919 non-null uint8
Sawyer       2919 non-null uint8
SawyerW      2919 non-null uint8
Somerst      2919 non-null uint8
StoneBr      2919 non-null uint8
Timber       2919 non-null uint8
Veenker      2919 non-null uint8
dtypes: uint8(24)
memory usage: 171.2 KB
```

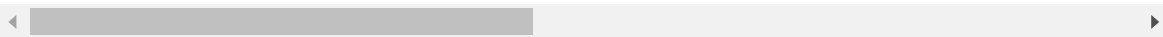
In [150]:

```
data_X1.head()
```

Out[150]:

	Blueste	BrDale	BrkSide	ClearCr	CollgCr	Crawfor	Edwards	Gilbert	IDOTRR	Me
0	0	0	0	0	1	0	0	0	0	0
1	0	0	0	0	0	0	0	0	0	0
2	0	0	0	0	1	0	0	0	0	0
3	0	0	0	0	0	1	0	0	0	0
4	0	0	0	0	0	0	0	0	0	0

5 rows × 24 columns



In [151]:

```
# Concatenate data_X and data_X1 and delete column Neighborhood
#data_X = pd.concat([data_X, data_X1])

#del data_X["Neighborhood"]
```

C:\ProgramData\Anaconda3\lib\site-packages\ipykernel\_launcher.py:2: Future Warning: Sorting because non-concatenation axis is not aligned. A future version of pandas will change to not sort by default.

To accept the future behavior, pass 'sort=False'.

To retain the current behavior and silence the warning, pass 'sort=True'.

In [347]:

```
data_X.info()
```

```

<class 'pandas.core.frame.DataFrame'>
Int64Index: 2919 entries, 0 to 1458
Data columns (total 79 columns):
1stFlrSF          2919 non-null int64
2ndFlrSF          2919 non-null int64
3SsnPorch         2919 non-null int64
Alley             2919 non-null object
BedroomAbvGr      2919 non-null int64
BldgType          2919 non-null object
BsmtCond          2919 non-null object
BsmtExposure      2919 non-null object
BsmtFinSF1        2919 non-null float64
BsmtFinSF2        2919 non-null float64
BsmtFinType1      2919 non-null object
BsmtFinType2      2919 non-null object
BsmtFullBath      2919 non-null float64
BsmtHalfBath      2919 non-null float64
BsmtQual          2919 non-null object
BsmtUnfSF         2919 non-null float64
CentralAir        2919 non-null object
Condition1        2919 non-null object
Condition2        2919 non-null object
Electrical        2919 non-null object
EnclosedPorch     2919 non-null int64
ExterCond         2919 non-null object
ExterQual         2919 non-null object
Exterior1st       2919 non-null object
Exterior2nd       2919 non-null object
Fence             2919 non-null object
FireplaceQu       2919 non-null object
Fireplaces        2919 non-null int64
Foundation        2919 non-null object
FullBath          2919 non-null int64
Functional        2919 non-null object
GarageArea        2919 non-null float64
GarageCars        2919 non-null float64
GarageCond        2919 non-null object
GarageFinish      2919 non-null object
GarageQual        2919 non-null object
GarageType        2919 non-null object
GarageYrBlt       2919 non-null float64
GrLivArea         2919 non-null int64
HalfBath          2919 non-null int64
Heating           2919 non-null object
HeatingQC         2919 non-null object
HouseStyle        2919 non-null object
Id                2919 non-null int64
KitchenAbvGr      2919 non-null int64
KitchenQual       2919 non-null object
LandContour       2919 non-null object
LandSlope         2919 non-null object
LotArea           2919 non-null int64
LotConfig         2919 non-null object
LotFrontage       2919 non-null float64
LotShape          2919 non-null int64
LowQualFinSF      2919 non-null int64
MSSubClass        2919 non-null int64
MSZoning          2919 non-null object
MasVnrArea        2919 non-null float64
MasVnrType        2919 non-null object
MiscFeature       2919 non-null object

```

```

MiscVal      2919 non-null int64
MoSold       2919 non-null int64
Neighborhood 2919 non-null int64
OpenPorchSF  2919 non-null int64
OverallCond  2919 non-null int64
OverallQual  2919 non-null int64
PavedDrive   2919 non-null object
PoolArea     2919 non-null int64
PoolQC       2919 non-null object
RoofMatl     2919 non-null object
RoofStyle    2919 non-null object
SaleCondition 2919 non-null object
SalePrice    2919 non-null float64
SaleType     2919 non-null object
ScreenPorch  2919 non-null int64
TotRmsAbvGrd 2919 non-null int64
TotalBsmtSF  2919 non-null float64
WoodDeckSF   2919 non-null int64
YearBuilt    2919 non-null int64
YearRemodAdd 2919 non-null int64
YrSold       2919 non-null int64
dtypes: float64(12), int64(28), object(39)
memory usage: 1.8+ MB

```

However, we have introduced an artificial structure to our variable. This encoding effectively says that Northwest Ames < Gilbert < Stone Brook, etc, which has no basis in reality.

In [348]:

```

# Verify all distinct values for a column - BldgType
data_X["BldgType"].value_counts()

```

Out[348]:

```

1Fam      2425
TwnhsE     227
Duplex     109
Twnhs       96
2fmCon      62
Name: BldgType, dtype: int64

```

In [350]:

```

# Convert BldgType to numbers
# Create a List with Values
target_names = data_X["BldgType"].unique()
# Create a dictionary with Values and index
target_dict = {n:i for i, n in enumerate(target_names)}
# Replace Values
data_X.BldgType = data_X.BldgType.replace(target_dict)

```

In [351]:

```
# Verify all distinct values for a column - BldgType
data_X["BldgType"].value_counts()
```

Out[351]:

```
0    2425
3     227
2     109
4      96
1      62
Name: BldgType, dtype: int64
```

## Dummy encoding (aka one-hot encoding)

This method avoids the problem of imposing a numerical ordering on our categories altogether, though it comes at the expense of turning one feature into many. The basic idea is to create a new binary feature for each possible value of the original. This is easiest to understand with an example, so let's return to the small snippet of Neighborhood data we looked at before. We can apply dummy encoding to this as follows:

In [30]:

```
# Transform characteristics with columns with 0 or 1
pd.get_dummies(data_X.Neighborhood.head(15), drop_first=True)
```

Out[30]:

	CollgCr	Crawfor	Mitchel	NAmes	NWAmes	NoRidge	NridgHt	OldTown	Saw
0	1	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0	0
2	1	0	0	0	0	0	0	0	0
3	0	1	0	0	0	0	0	0	0
4	0	0	0	0	0	1	0	0	0
5	0	0	1	0	0	0	0	0	0
6	0	0	0	0	0	0	0	0	0
7	0	0	0	0	1	0	0	0	0
8	0	0	0	0	0	0	0	1	0
9	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	1
11	0	0	0	0	0	0	1	0	0
12	0	0	0	0	0	0	0	0	1
13	1	0	0	0	0	0	0	0	0
14	0	0	0	1	0	0	0	0	0

## 2. Data exploration and visualization

### 1. Univariate analysis

#### The distribution of the target variable and the individual characteristics

To get an idea of the distribution of the numerical variables, make the histograms.  
Let's start by generating one for SalePrice, our target variable.

In [31]:

```
plt.title("Number of houses per price")
plt.xlabel("$ Price")
plt.ylabel("Number of Houses")
plt.hist(df.SalePrice, bins=30, align='mid', color=['red'], label=['A'])
```

Out[31]:

```
(array([ 11.,  38.,  99., 232., 273., 218., 176., 104.,  93.,
        58.,  42.,  35.,  24.,  10.,  17.,   8.,   7.,   4.,
         2.,   1.,   1.,   2.,   1.,   0.,   2.,   0.,   0.,
         0.,   0.,   2.]),
array([ 34900.,      ,  58903.33333333,  82906.66666667,
        106910.,      , 130913.33333333, 154916.66666667,
        178920.,      , 202923.33333333, 226926.66666667,
        250930.,      , 274933.33333333, 298936.66666667,
        322940.,      , 346943.33333333, 370946.66666667,
        394950.,      , 418953.33333333, 442956.66666667,
        466960.,      , 490963.33333333, 514966.66666667,
        538970.,      , 562973.33333333, 586976.66666667,
        610980.,      , 634983.33333333, 658986.66666667,
        682990.,      , 706993.33333333, 730996.66666667, 755000.
        ]),
<a list of 30 Patch objects>)
```



The largest number of offers is registered in houses with a price between 100, 000.00, *and* : 200,000.00

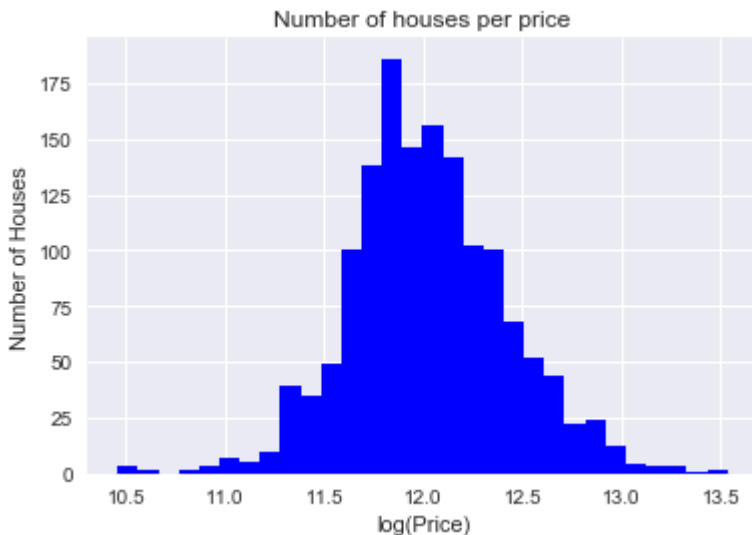
Immediately we see that the distribution is for cheaper houses, with a relatively long tail for homes with high prices. To make the distribution more symmetric, we can make the histogram of the logarithm:

In [32]:

```
plt.title("Number of houses per price")
plt.xlabel("log(Price)")
plt.ylabel("Number of Houses")
plt.hist(np.log(df.SalePrice), bins=30, align='mid', color=['blue'], label=['A'])
```

Out[32]:

```
(array([ 3.,  2.,  0.,  2.,  3.,  7.,  5., 10., 39.,
        35., 49., 100., 138., 186., 146., 156., 142., 102.,
        100., 68., 52., 44., 22., 24., 12.,  4.,  3.,
        3.,  1.,  2.]),
array([ 10.46024211, 10.56271647, 10.66519084, 10.7676652 ,
        10.87013956, 10.97261393, 11.07508829, 11.17756266,
        11.28003702, 11.38251138, 11.48498575, 11.58746011,
        11.68993448, 11.79240884, 11.8948832 , 11.99735757,
        12.09983193, 12.2023063 , 12.30478066, 12.40725502,
        12.50972939, 12.61220375, 12.71467812, 12.81715248,
        12.91962684, 13.02210121, 13.12457557, 13.22704994,
        13.3295243 , 13.43199866, 13.53447303]),
<a list of 30 Patch objects>)
```



In addition to making the distribution more symmetrical, working with the logarithm of the selling price will also ensure that relative errors of cheaper and more expensive houses are treated equally.

## Analysis of Categorical Variables

For categorical variables, bar graphs and frequency counts are the natural analyzes for histograms



In [33]:

```
# Analyzing the Type of Construction (Foundation)
x= df.Foundation.value_counts()
x
```

Out[33]:

```
PConc      647
CBlock     634
BrkTil     146
Slab        24
Stone        6
Wood         3
Name: Foundation, dtype: int64
```

Foundation: Type of foundation:

- BrkTil= Brick & Tile
- CBlock= Cinder Block
- PConc= Poured Contrete
- Slab= Slab
- Stone= Stone
- Wood= Wood

Almost all homes are made of concrete, being concrete or concrete blocks only.

In [34]:

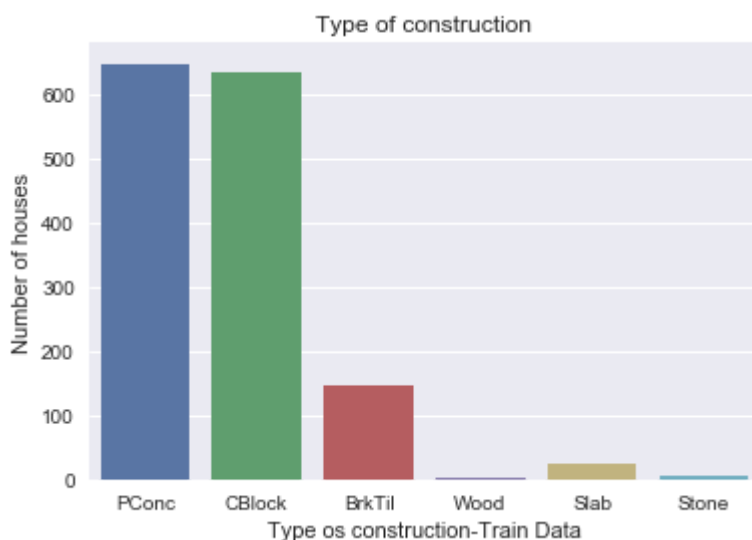
```
ax=sns.countplot(df.Foundation)
ax.set_title('Type of construction')
ax.set_ylabel('Number of houses')
ax.set_xlabel('Type os construction-Train Data')
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data)
```

Out[34]:

<matplotlib.text.Text at 0x2ace6ea77f0>



Analyzing the same information in the test data (df\_test), below, we see that they have the same behavior of the training data

In [35]:

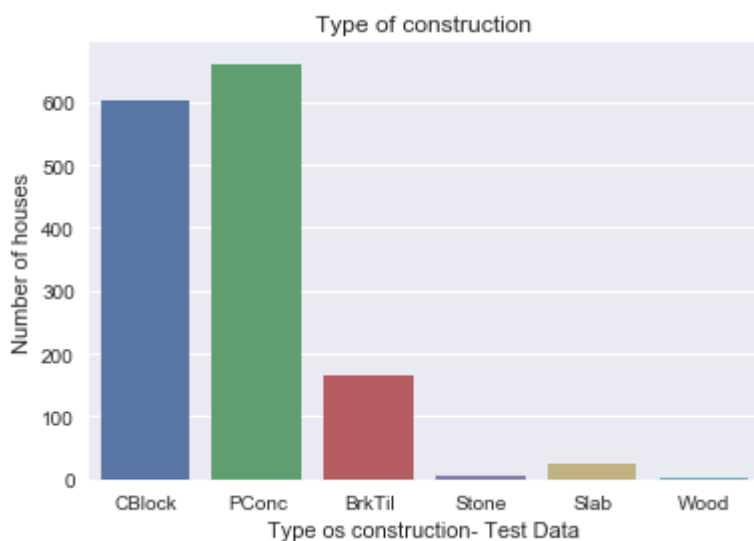
```
ax=sns.countplot(df_test.Foundation)
ax.set_title('Type of construction')
ax.set_ylabel('Number of houses')
ax.set_xlabel('Type os construction- Test Data')
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data)
```

Out[35]:

<matplotlib.text.Text at 0x2ace7013d68>



## 2. Bivariate analysis

Having analyzed some of the variables individually, let's explore the relationships between them. Of course, the most interesting will be the relationship between the target variable (selling price) and the resources we will use for forecasting.

For numerical resources, scatter plots are the reference tool. As the total living area of a home is probably an important factor in determining its price, we will create one for GrLivArea and SalePrice. We will plot the seating area against the log of the sale price as well as for comparison.

In [36]:

```
# Plot the area versus the price
plt.plot(df_train.GrLivArea, df_train.SalePrice, '.', alpha = 0.3)
plt.title("Area and houses per price")
plt.ylabel("$ Price")
plt.xlabel("Area")
```

Out[36]:

<matplotlib.text.Text at 0x2ace6d75ac8>



In [37]:

```
# Plot the area versus the price
plt.plot(df_train.GrLivArea, np.log(df_train.SalePrice), 'o', color=('green'),alpha = 0.3)
plt.title("Area and houses per price")
plt.ylabel("log(Price)")
plt.xlabel("Area")
```

Out[37]:

<matplotlib.text.Text at 0x2ace70a04a8>



There is a strong dependence on the sale price of the total living area. As expected, the larger the home, the more expensive it tends to be. There is clearly a tendency to increase the selling price with the area, but we also see some points that do not seem to fit the rest. There are (a few) houses where the area / price pattern does not fit.

We would expect YearBuilt (year of construction) and GarageYrBlt (year of garage construction) to be perfectly related, so let's create a scatter chart for them. Since we are not considering SalePrice, we can use training and test data.

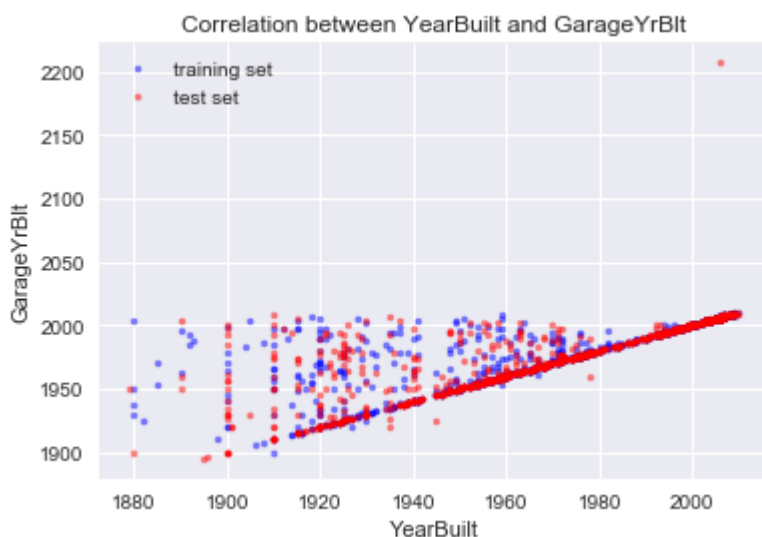
In [38]:

```
# Plot train Data
plt.plot(df_train.YearBuilt, df_train.GarageYrBlt,
         '.', alpha=0.5, color=('blue'), label = 'training set')
# Plot test Data
plt.plot(df_test.YearBuilt, df_test.GarageYrBlt,
         '.', alpha=0.5, color=('red'), label = 'test set')

plt.title("Correlation between YearBuilt and GarageYrBlt")
plt.ylabel("GarageYrBlt")
plt.xlabel("YearBuilt")
plt.legend()
```

Out[38]:

<matplotlib.legend.Legend at 0x2ace729a3c8>



As you would expect, the figure tells us that most garages were built at the same time as the houses to which they belong: they form the diagonal line that crosses the terrain. A significant number was also added later: these are the dots above the line.

In both training and test sets, we have several garages that were built up to 20 years before their homes (the points below the diagonal line), and in the training set we have a garage in the future where the record shows that it was built in year of 2018 (current). These amounts could be corrected to stay at least in the year of construction of the house.

## Categorical variables

Let's take a look at some examples of selling price depending on the neighborhood. Another feature that is likely to be important for our predictive models.

In [39]:

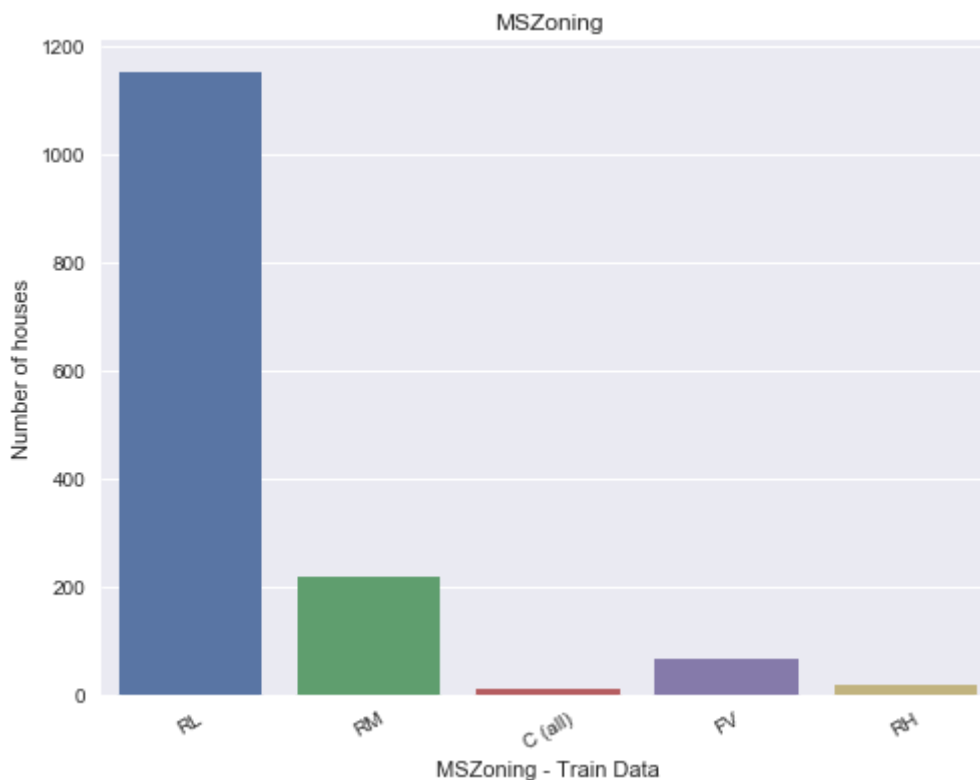
```
# Plot Number of houses for MSZoning
a4_dims = (8, 6)
fig, ax = plt.subplots(figsize=a4_dims)
g = sns.countplot(df_train.MSZoning)
ax.set_title('MSZoning')
ax.set_ylabel('Number of houses')
ax.set_xlabel('MSZoning - Train Data')
# Labels Rotation
g.set_xticklabels(g.get_xticklabels(), rotation=30)
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data)
```

Out[39]:

```
[<matplotlib.text.Text at 0x2ace7314be0>,
<matplotlib.text.Text at 0x2ace7318470>,
<matplotlib.text.Text at 0x2ace7364898>,
<matplotlib.text.Text at 0x2ace736b390>,
<matplotlib.text.Text at 0x2ace736be48>]
```



In [40]:

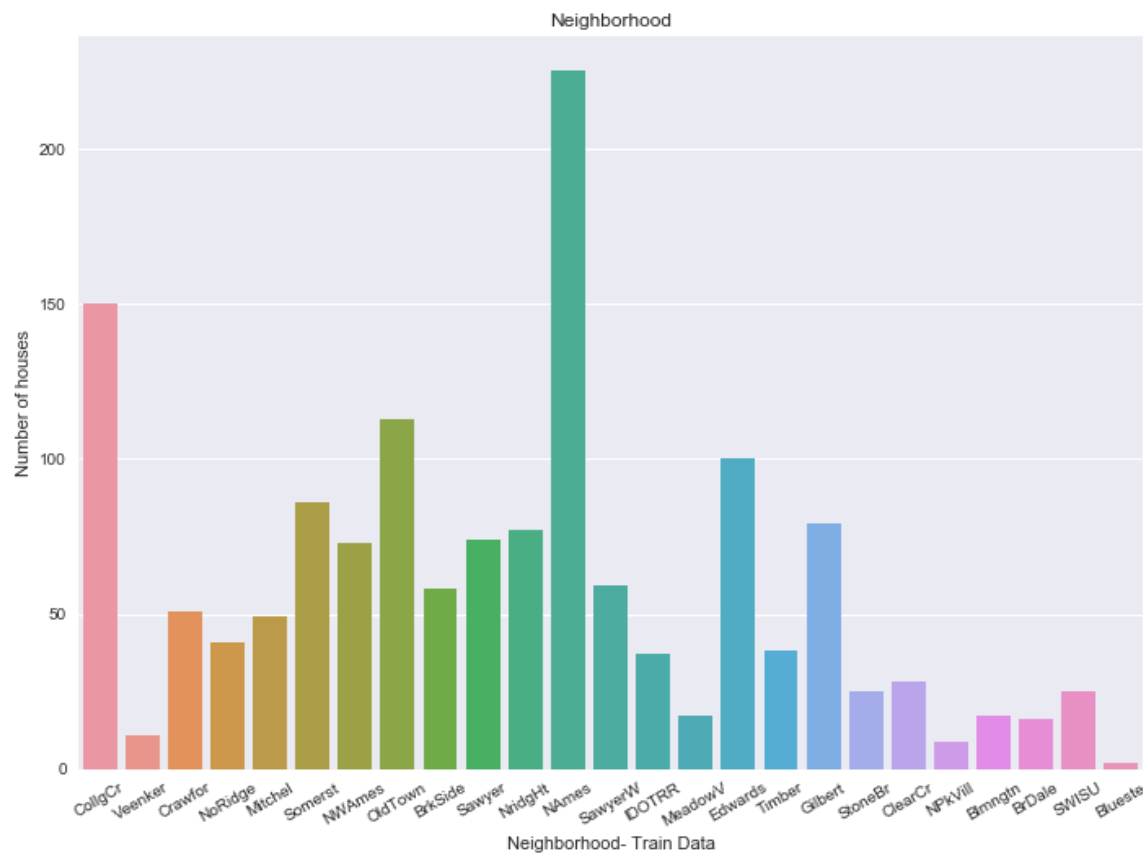
```
a4_dims = (11.7, 8.27)
fig, ax = plt.subplots(figsize=a4_dims)
#sns.violinplot(ax=ax, data=df_test.Neighborhood)
g = sns.countplot(df_train.Neighborhood)
ax.set_title('Neighborhood')
ax.set_ylabel('Number of houses')
ax.set_xlabel('Neighborhood- Train Data')
# Labels Rotation
g.set_xticklabels(g.get_xticklabels(), rotation=30)
```

```
C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove_na is deprecated and is a private function. Do not use.
```

```
stat_data = remove_na(group_data)
```

```
Out[40]:
```

```
[<matplotlib.text.Text at 0x2ace73b9278>,  
<matplotlib.text.Text at 0x2ace73c13c8>,  
<matplotlib.text.Text at 0x2ace7460be0>,  
<matplotlib.text.Text at 0x2ace74686d8>,  
<matplotlib.text.Text at 0x2ace746c1d0>,  
<matplotlib.text.Text at 0x2ace746cc88>,  
<matplotlib.text.Text at 0x2ace7471780>,  
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<matplotlib.text.Text at 0x2ace747e828>,  
<matplotlib.text.Text at 0x2ace7483320>,  
<matplotlib.text.Text at 0x2ace7483dd8>,  
<matplotlib.text.Text at 0x2ace74898d0>,  
<matplotlib.text.Text at 0x2ace74903c8>,  
<matplotlib.text.Text at 0x2ace7490e80>,  
<matplotlib.text.Text at 0x2ace7497978>,  
<matplotlib.text.Text at 0x2ace749c470>,  
<matplotlib.text.Text at 0x2ace749cf28>,  
<matplotlib.text.Text at 0x2ace74a2a20>,  
<matplotlib.text.Text at 0x2ace74a9518>,  
<matplotlib.text.Text at 0x2ace74a9fd0>,  
<matplotlib.text.Text at 0x2ace74afac8>,  
<matplotlib.text.Text at 0x2ace74b45c0>,  
<matplotlib.text.Text at 0x2ace74bd0b8>,  
<matplotlib.text.Text at 0x2ace74bdb70>]
```



The largest number of homes is located in NAames, followed by Old Town and CollgCr.

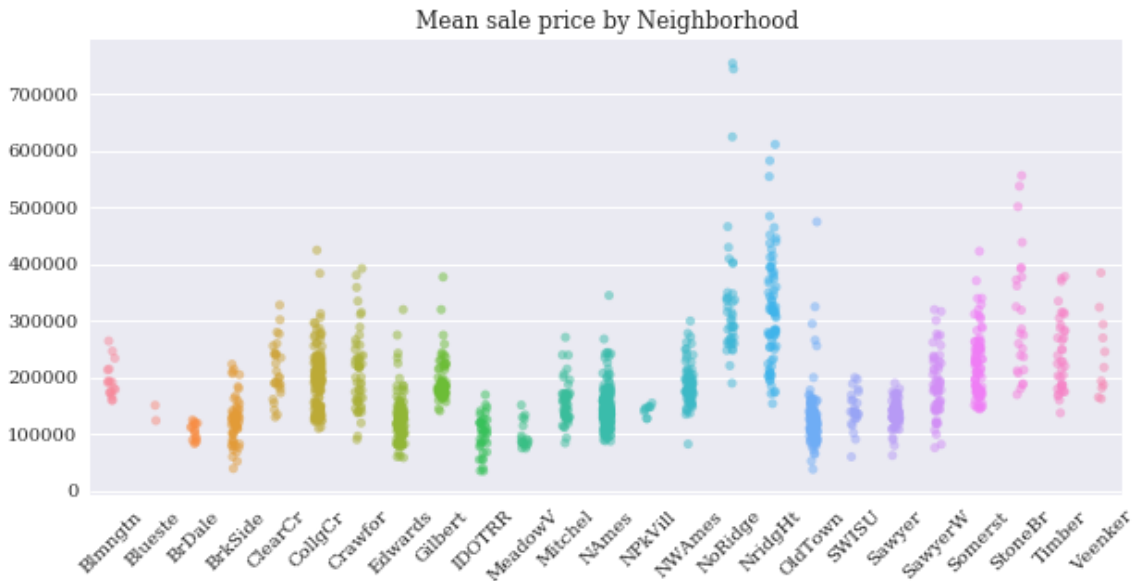


In [84]:

```
g=sns.stripplot(x = df_train.Neighborhood.values, y = df_train.SalePrice.values,
                order = np.sort(df_train.Neighborhood.unique()),
                jitter=0.1, alpha=0.5)
g.set_title('Mean sale price by Neighborhood')
plt.xticks(rotation=45)
```

Out[84]:

```
(array([ 0,  1,  2,  3,  4,  5,  6,  7,  8,  9, 10, 11, 12, 13, 14, 15, 16,
        17, 18, 19, 20, 21, 22, 23, 24]),
 <a list of 25 Text xticklabel objects>)
```



We can see the accumulation of prices in each neighborhood and the average prices where it is most reasonable.

In [353]:

```
# Mean Sales price by Neighborhood

df1 = df_train.groupby('Neighborhood')['SalePrice'].mean()

df1 = df1.sort_values()
df1
```

Out[353]:

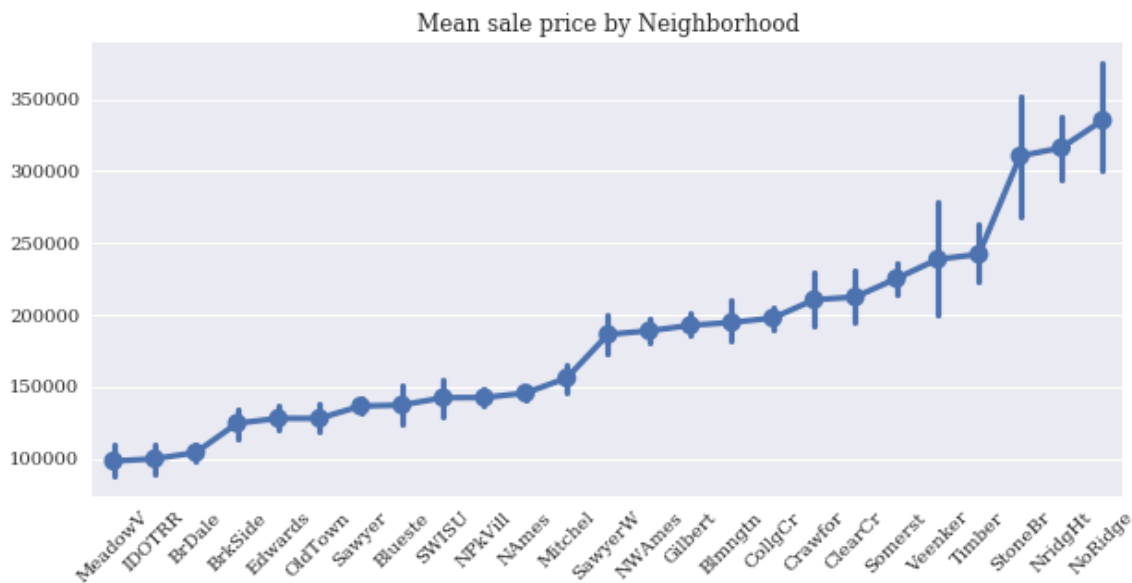
```
Neighborhood
MeadowV      98576.470588
IDOTRR      100123.783784
BrDale      104493.750000
BrkSide     124834.051724
Edwards     128219.700000
OldTown     128225.300885
Sawyer      136793.135135
Blueste     137500.000000
SWISU       142591.360000
NPkVill     142694.444444
NAmes       145847.080000
Mitchel     156270.122449
SawyerW     186555.796610
NWAmes      189050.068493
Gilbert     192854.506329
Blmngtn     194870.882353
CollgCr     197965.773333
Crawfor     210624.725490
ClearCr     212565.428571
Somerst     225379.837209
Veenker     238772.727273
Timber      242247.447368
StoneBr     310499.000000
NridgHt     316270.623377
NoRidge     335295.317073
Name: SalePrice, dtype: float64
```

In [354]:

```
# Plot Mean SalesPrice by Neighborhood Ordered
g = sns.pointplot(x = df_train.Neighborhood.values, y = df_train.SalePrice.values,
                  order = df1.index)
g.set_title('Mean sale price by Neighborhood')
plt.xticks(rotation=45)
plt.show()
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data)
```



We have an idea of the average price per neighborhood. NoRidge has the highest price and MeadowV has the lowest. The points represent the average sale price for each neighbourhood, while the vertical bars indicate the uncertainty in this value.

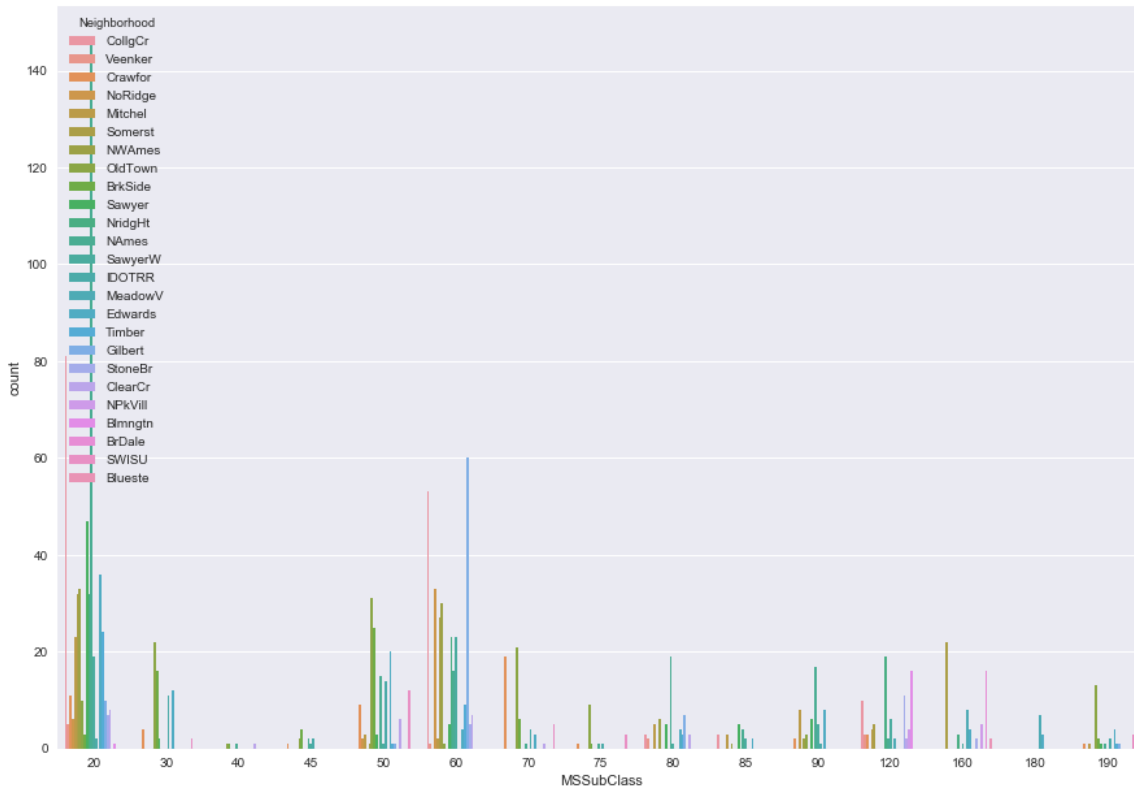
In [44]:

```
# Plot Multi-Characteristics with Counting
```

```
plt.rcParams['figure.figsize'] = (15.0, 10.5)
ax = sns.countplot(x="MSSubClass", hue="Neighborhood", data=df)
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1468: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data[hue_mask])
```



In [ ]:

There is a great offer of houses of type:

- 20 = 1-STORY 1946 & NEWER ALL STYLES),
- followed by 60 = 2-STORY 1946 & NEWER
- and after 50 = 1-1 / 2 STORY FINISHED ALL AGES.

The other types are less representative.

They are usually located in:

- Bluestem
- Sawyer
- Timberland
- Old Town

In [45]:

```
# Plot number of houses by Neighborhood

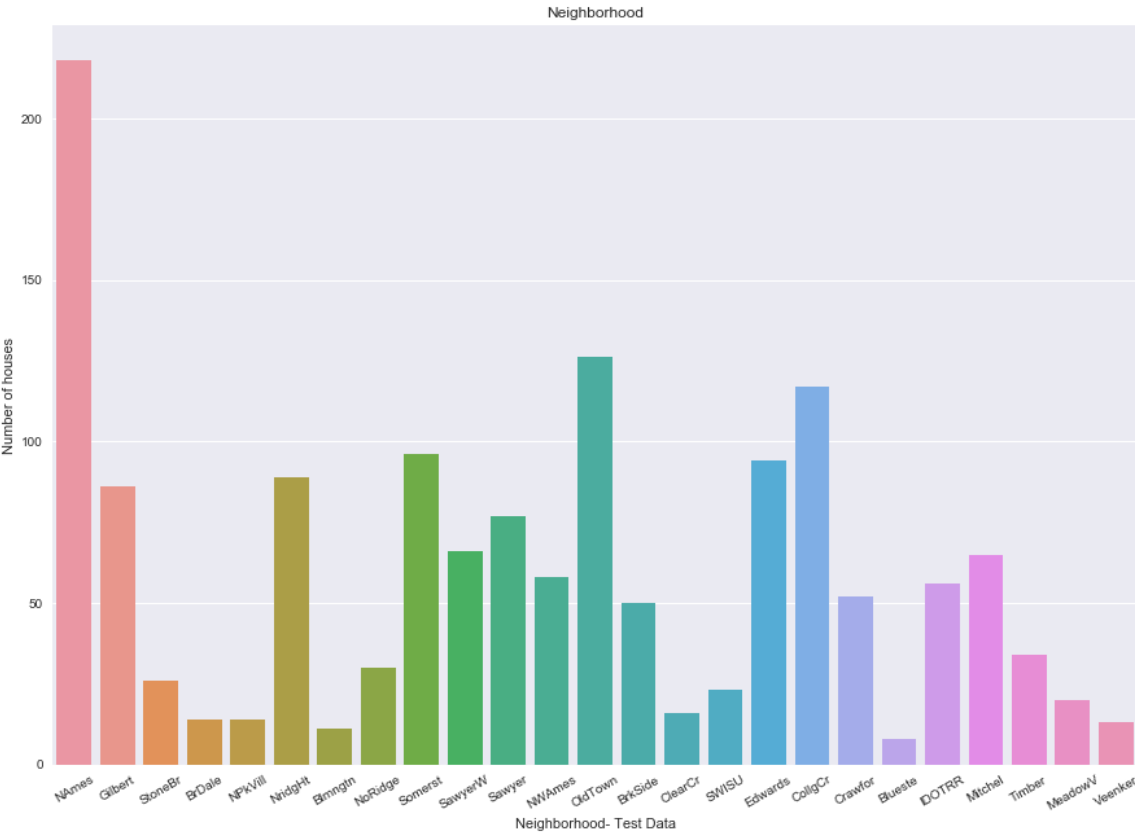
ax=sns.countplot(df_test.Neighborhood)
ax.set_title('Neighborhood')
ax.set_ylabel('Number of houses')
ax.set_xlabel('Neighborhood- Test Data')
# Labels Rotation
ax.set_xticklabels(ax.get_xticklabels(), rotation=30)
```

```
C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove_na is deprecated and is a private function. Do not use.
```

```
stat_data = remove_na(group_data)
```

```
Out[45]:
```

```
[<matplotlib.text.Text at 0x2ace8ceff28>,  
<matplotlib.text.Text at 0x2ace8baf908>,  
<matplotlib.text.Text at 0x2ace8b49cf8>,  
<matplotlib.text.Text at 0x2ace8a4ae80>,  
<matplotlib.text.Text at 0x2ace96e20f0>,  
<matplotlib.text.Text at 0x2ace96e2ba8>,  
<matplotlib.text.Text at 0x2ace96e76a0>,  
<matplotlib.text.Text at 0x2ace96ee198>,  
<matplotlib.text.Text at 0x2ace96eec50>,  
<matplotlib.text.Text at 0x2ace96f1748>,  
<matplotlib.text.Text at 0x2ace96fa240>,  
<matplotlib.text.Text at 0x2ace96facf8>,  
<matplotlib.text.Text at 0x2ace97037f0>,  
<matplotlib.text.Text at 0x2ace970c2e8>,  
<matplotlib.text.Text at 0x2ace970cda0>,  
<matplotlib.text.Text at 0x2ace9715898>,  
<matplotlib.text.Text at 0x2ace9739390>,  
<matplotlib.text.Text at 0x2ace9739e48>,  
<matplotlib.text.Text at 0x2ace972f940>,  
<matplotlib.text.Text at 0x2ace9737438>,  
<matplotlib.text.Text at 0x2ace9737ef0>,  
<matplotlib.text.Text at 0x2ace97349e8>,  
<matplotlib.text.Text at 0x2ace973d4e0>,  
<matplotlib.text.Text at 0x2ace973df98>,  
<matplotlib.text.Text at 0x2ace9745a90>]
```



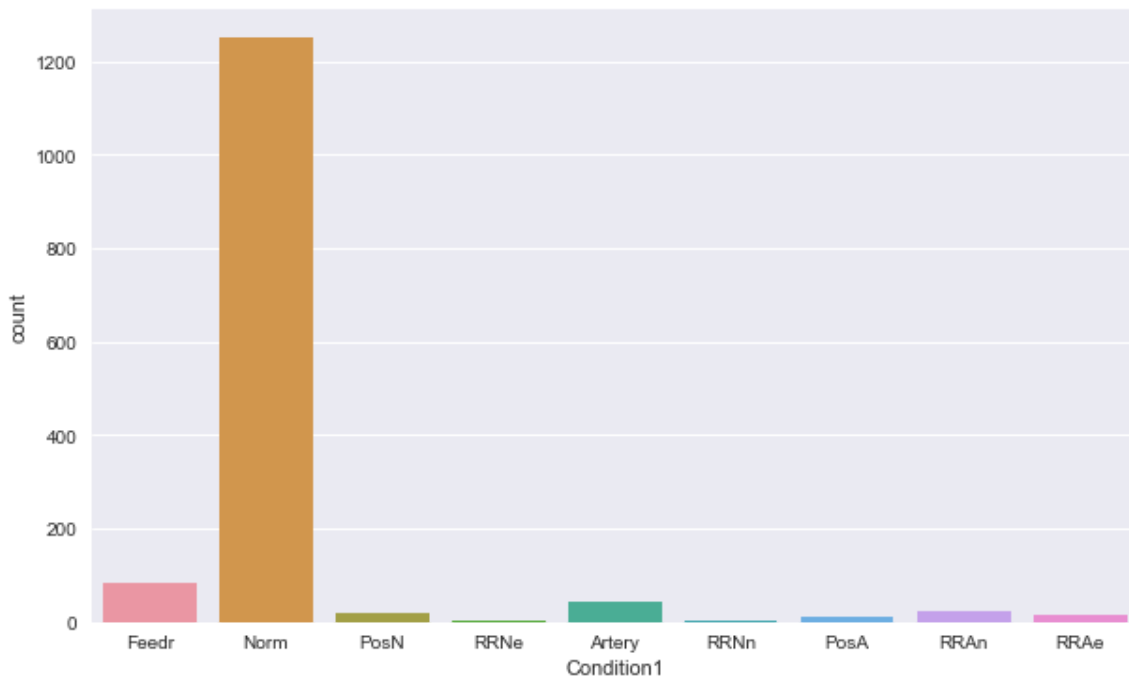
In [46]:

```
# Plot features with count.

ax.set_title('Proximity to various conditions')
ax.set_ylabel('Number of houses')
ax.set_xlabel('Proximity to- Test Data')
plt.rcParams['figure.figsize'] = (10.0, 6.0)
ax = sns.countplot(df_test.Condition1)
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1428: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data)
```



Proximity information is not very relevant, since practically all of them are Norm = normal.

There is some classification of houses (100 houses) with: Adjacent to feeder street

There is some classification of houses (50 houses) with: Adjacent to arterial street



In [47]:

```
df.hist(figsize = (10,10))
```

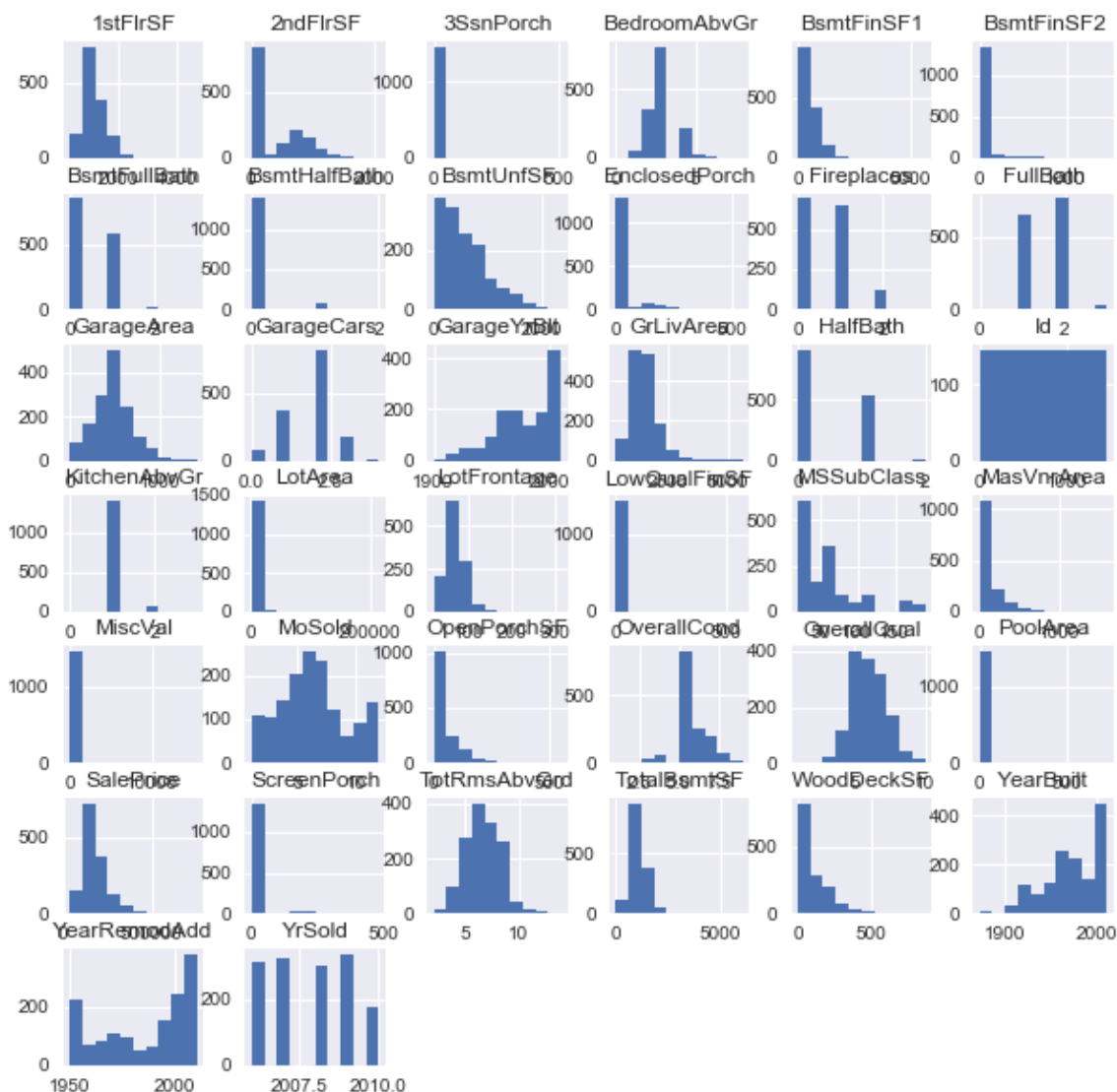
Out[47]:

```
array([[<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE90DDA58>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9125550>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9734668>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE91E6A58>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE924C240>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE924C278>],
      [<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE93684A8>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE99EFDD8>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9A7CA58>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9A90F60>,
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      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9BAD240>],
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      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9C7C898>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9CF4B70>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE78CEEF0>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8FE37B8>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE738F908>],
      [<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE89BC8D0>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8A5B240>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8A6C710>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8B3B2E8>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8B9F908>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8C1E128>],
      [<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8C83A90>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8D107F0>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8D811D0>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8DC42B0>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE905C470>,
      <matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8E656D0>]]
```

```

8>],
[<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8F404A
8>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE8FA47B
8>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE93F6C5
0>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE88E763
0>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE94C9A2
0>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE94FB51
8>],
[<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE955B35
8>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE95A0AC
8>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE95D4F2
8>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9653B7
0>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE96635F
8>,
<matplotlib.axes._subplots.AxesSubplot object at 0x000002ACE9D824E
0>]], dtype=object)

```



In [48]:

```
alpha = df.columns
alpha
```

Out[48]:

```
Index(['Id', 'MSSubClass', 'MSZoning', 'LotFrontage', 'LotArea', 'Street',
       'Alley', 'LotShape', 'LandContour', 'Utilities', 'LotConfig',
       'LandSlope', 'Neighborhood', 'Condition1', 'Condition2', 'BldgTyp
e',
       'HouseStyle', 'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemod
Add',
       'RoofStyle', 'RoofMatl', 'Exterior1st', 'Exterior2nd', 'MasVnrTyp
e',
       'MasVnrArea', 'ExterQual', 'ExterCond', 'Foundation', 'BsmtQual',
       'BsmtCond', 'BsmtExposure', 'BsmtFinType1', 'BsmtFinSF1',
       'BsmtFinType2', 'BsmtFinSF2', 'BsmtUnfSF', 'TotalBsmtSF', 'Heatin
g',
       'HeatingQC', 'CentralAir', 'Electrical', '1stFlrSF', '2ndFlrSF',
       'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath', 'FullB
ath',
       'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr', 'KitchenQual',
       'TotRmsAbvGrd', 'Functional', 'Fireplaces', 'FireplaceQu', 'GarageT
ype',
       'GarageYrBlt', 'GarageFinish', 'GarageCars', 'GarageArea', 'GarageQ
ual',
       'GarageCond', 'PavedDrive', 'WoodDeckSF', 'OpenPorchSF',
       'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'PoolQC',
       'Fence', 'MiscFeature', 'MiscVal', 'MoSold', 'YrSold', 'SaleType',
       'SaleCondition', 'SalePrice'],
      dtype='object')
```

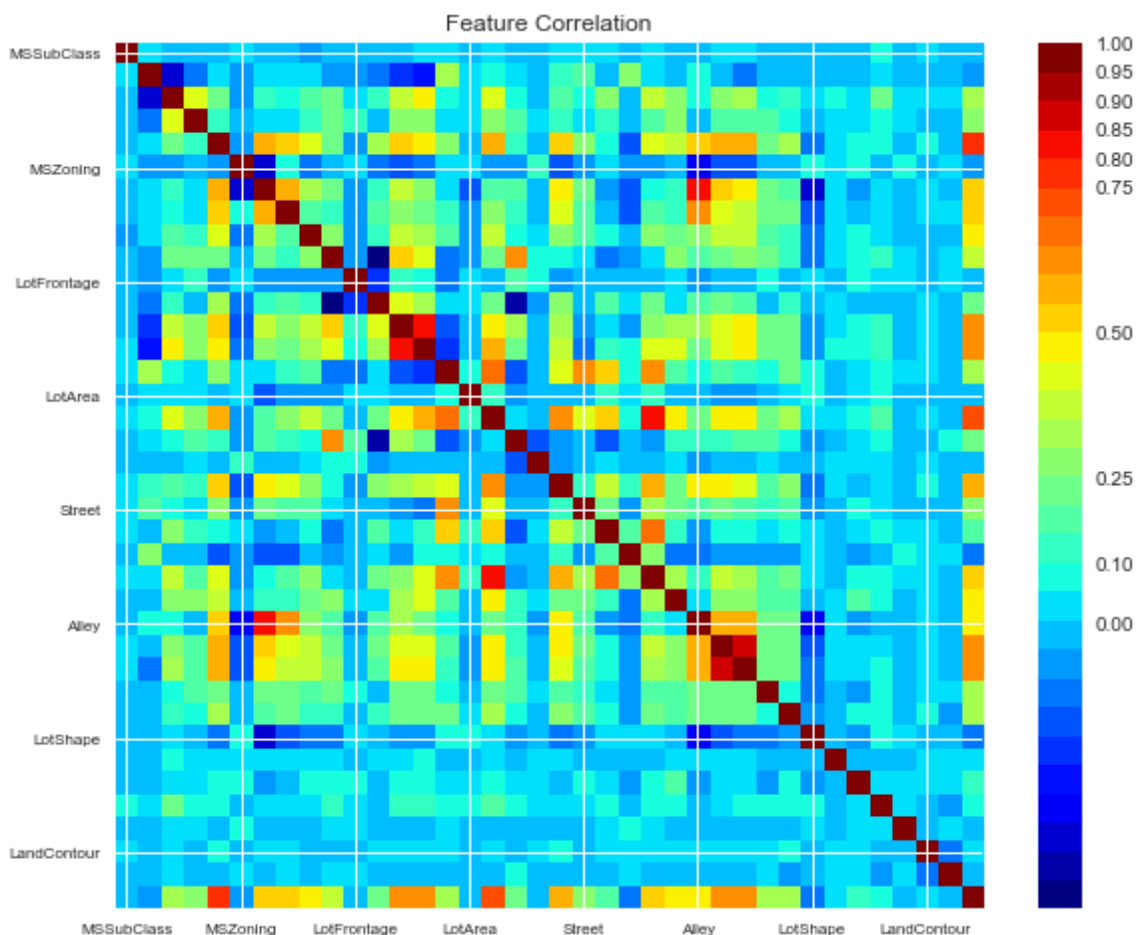
In [49]:

```
# Correlation of characteristics
# how much closer to 1 more related are the characteristics
alpha = df.columns

def correlation_matrix(df):
    from matplotlib import pyplot as plt
    from matplotlib import cm as cm

    fig = plt.figure(figsize=(10,8))
    ax1 = fig.add_subplot(111)
    cmap = cm.get_cmap('jet', 30)
    cax = ax1.imshow(df.corr(), interpolation="nearest", cmap=cmap)
    ax1.grid(True)
    plt.title('Feature Correlation')
    labels=alpha
    ax1.set_xticklabels(labels,fontsize=8)
    ax1.set_yticklabels(labels,fontsize=8)
    # Add colorbar, make sure to specify tick locations to match desired ticklabels
    fig.colorbar(cax, ticks=[0,.5,.10,0.25,0.50,.75,.8,.85,.90,.95,1])
    plt.show()

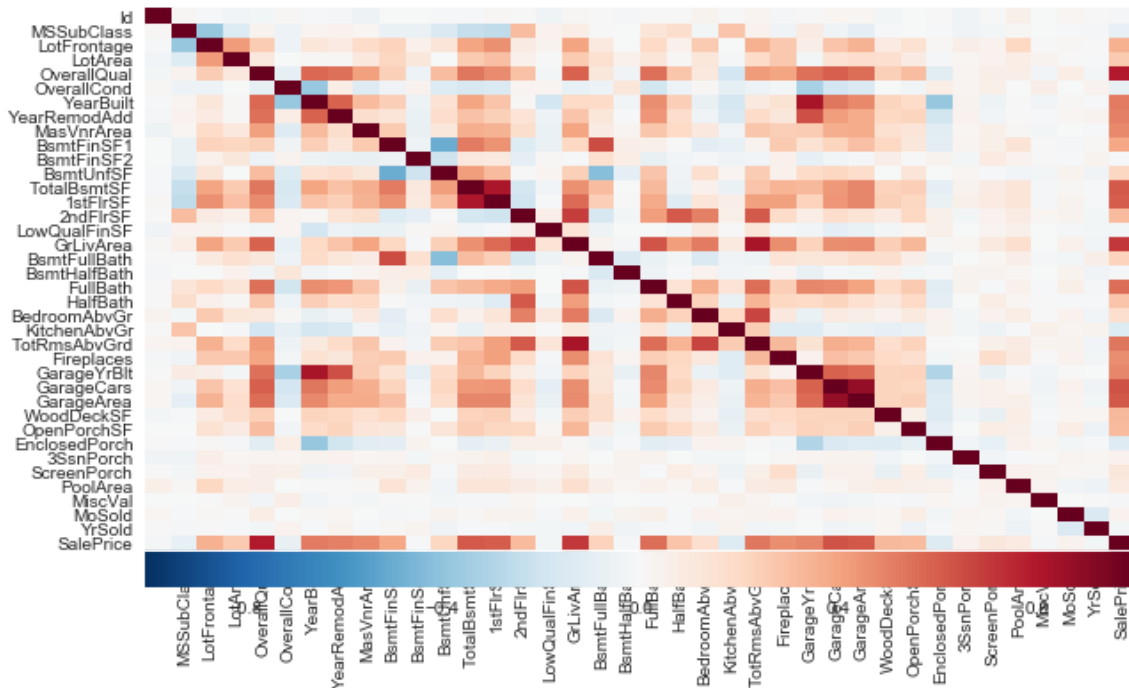
correlation_matrix(df)
```



Based on this graph, the dark points show the correlation of variables.  
MSZoning (zone) is related to Alley (type access to the property) Home

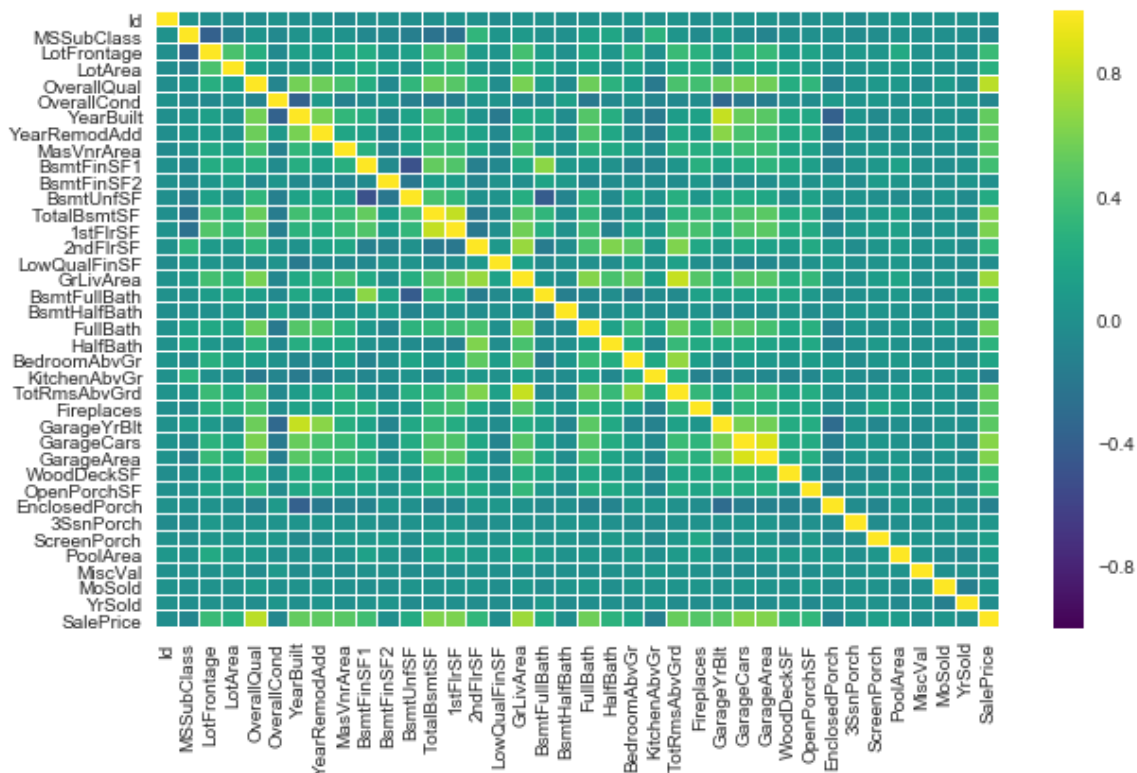
In [50]:

```
grid_kws = {"height_ratios": (1.5, 0.1), "hspace": 0.01}
f, (ax, cbar_ax) = plt.subplots(2, gridspec_kw=grid_kws)
ax = sns.heatmap(df.corr(), ax=ax,
                 cbar_ax=cbar_ax,
                 cbar_kws={"orientation": "horizontal"})
```



In [51]:

```
result = df.corr()
sns.heatmap(result, annot=False, fmt="g", cmap='viridis', cbar=True, linewidths=.05)
plt.show()
```



Based on this graph, the clearest points show the correlation of variables.

MSZoning (zone) is related to Alley (type access to the property)

The overall quality (OverallQual) is related to the Price (Salesprice)

Other important correlations for the price are:

- Area 1 floor and area 2 floor
- the year in which improvements were made
- The year of construction
- m2 living area
- number of rooms
- number of bathrooms
- number of fireplaces
- garage area and number of parking spaces

In general, the year of construction, the general quality of the property, the area and the number of rooms, lead the standard for price determination.

In [52]:

```
# Correlation analysis between data
# df.corr () determines the correlation between the variables
# clearer is higher correlation
# how much closer to 1 more related are the characteristics

# Alternative form to obtain plot of correlation
# sns.heatmap(df.corr(), annot = False)
```

In [53]:

```
# Correlation analysis between data
# df.corr () determines the correlation between the variables
# clearer is higher correlation
# how much closer to 1 more related are the characteristics

# Alternative form to obtain plot of correlation
# corr = df.corr()
# sns.heatmap(corr,
#             xticklabels=corr.columns.values,
#             yticklabels=corr.columns.values)
```

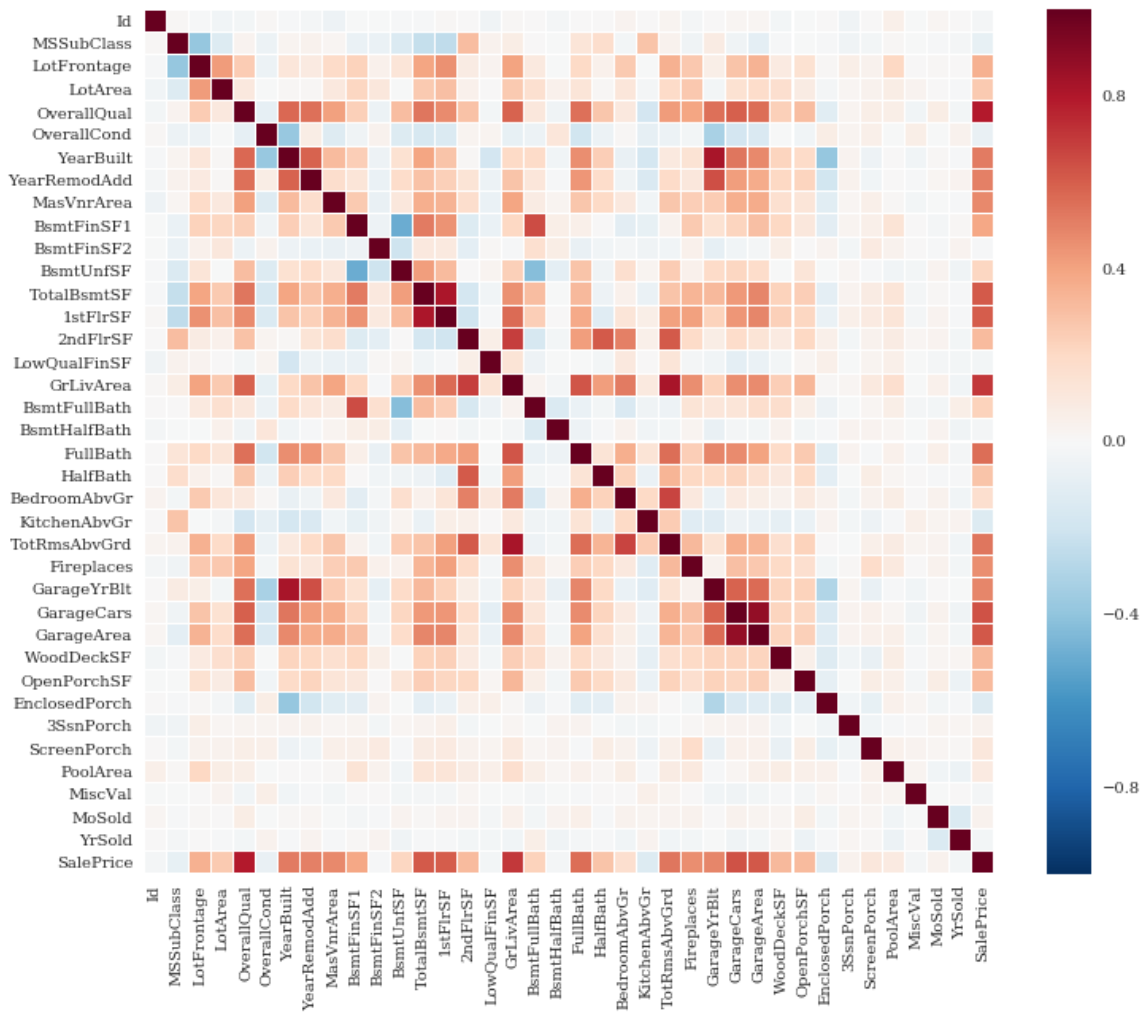
In [54]:

```
# Correlation analysis between data
# df.corr () determines the correlation between the variables
# clearer is higher correlation
# how much closer to 1 more related are the characteristics

# Alternative form to obtain plot of correlation
# Bigger plot because we have many columns
corr = df.corr()
plt.rcParams['figure.figsize'] = (12.0, 10.0)
plt.rcParams['font.family'] = "serif"
sns.heatmap(corr,linewidths=.05)
```

Out[54]:

<matplotlib.axes.\_subplots.AxesSubplot at 0x2acea97b4e0>





Based on this graph, the darker points show the correlation of variables.

MSZoning (zone) is related to Alley (type access to the property)

The overall quality (OverallQual) is related to the Price (Salesprice)

Other important correlations for the price are:

- Area 1 floor and area 2 floor
- the year in which improvements were made
- The year of construction
- m2 living area
- number of rooms
- number of bathrooms
- number of fireplaces
- garage area and number of parking spaces

In general, the year of construction, the general quality of the property, the area and the number of rooms, lead the standard for price determination.

In [55]:

```
list = df.columns
list
```

Out[55]:

```
Index(['Id', 'MSSubClass', 'MSZoning', 'LotFrontage', 'LotArea', 'Street',
      'Alley', 'LotShape', 'LandContour', 'Utilities', 'LotConfig',
      'LandSlope', 'Neighborhood', 'Condition1', 'Condition2', 'BldgType',
      'HouseStyle', 'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemodAdd',
      'RoofStyle', 'RoofMatl', 'Exterior1st', 'Exterior2nd', 'MasVnrType',
      'MasVnrArea', 'ExterQual', 'ExterCond', 'Foundation', 'BsmtQual',
      'BsmtCond', 'BsmtExposure', 'BsmtFinType1', 'BsmtFinSF1',
      'BsmtFinType2', 'BsmtFinSF2', 'BsmtUnfSF', 'TotalBsmtSF', 'Heating',
      'HeatingQC', 'CentralAir', 'Electrical', '1stFlrSF', '2ndFlrSF',
      'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath', 'FullBath',
      'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr', 'KitchenQual',
      'TotRmsAbvGrd', 'Functional', 'Fireplaces', 'FireplaceQu', 'GarageType',
      'GarageYrBlt', 'GarageFinish', 'GarageCars', 'GarageArea', 'GarageQual',
      'GarageCond', 'PavedDrive', 'WoodDeckSF', 'OpenPorchSF',
      'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'PoolQC',
      'Fence', 'MiscFeature', 'MiscVal', 'MoSold', 'YrSold', 'SaleType',
      'SaleCondition', 'SalePrice'],
      dtype='object')
```

In [56]:

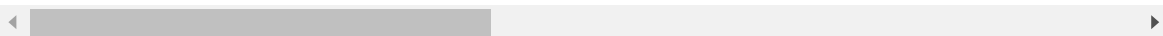
```
# Of the 1460 training lines, we practically do not have values for the columns:
# - PoolQC, Fence, MiscFeature, and Alley
# Let's delete these columns

df1 = pd.DataFrame(df)
# df1 = pd.DataFrame(df)
# list = ['Alley', 'PoolQC', 'Fence', 'MiscFeature']
# df1 = df1.drop(list, axis=1)
df1.head()
```

Out[56]:

	<b>Id</b>	<b>MSSubClass</b>	<b>MSZoning</b>	<b>LotFrontage</b>	<b>LotArea</b>	<b>Street</b>	<b>Alley</b>	<b>LotShape</b>	<b>LandCo</b>
<b>0</b>	1	60	RL	65.0	8450	Pave	NaN	Reg	Lvl
<b>1</b>	2	20	RL	80.0	9600	Pave	NaN	Reg	Lvl
<b>2</b>	3	60	RL	68.0	11250	Pave	NaN	IR1	Lvl
<b>3</b>	4	70	RL	60.0	9550	Pave	NaN	IR1	Lvl
<b>4</b>	5	60	RL	84.0	14260	Pave	NaN	IR1	Lvl

5 rows × 81 columns



In [57]:

```
list = df1.columns
list
```

Out[57]:

```
Index(['Id', 'MSSubClass', 'MSZoning', 'LotFrontage', 'LotArea', 'Street',
       'Alley', 'LotShape', 'LandContour', 'Utilities', 'LotConfig',
       'LandSlope', 'Neighborhood', 'Condition1', 'Condition2', 'BldgTyp
e',
       'HouseStyle', 'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemod
Add',
       'RoofStyle', 'RoofMatl', 'Exterior1st', 'Exterior2nd', 'MasVnrTyp
e',
       'MasVnrArea', 'ExterQual', 'ExterCond', 'Foundation', 'BsmtQual',
       'BsmtCond', 'BsmtExposure', 'BsmtFinType1', 'BsmtFinSF1',
       'BsmtFinType2', 'BsmtFinSF2', 'BsmtUnfSF', 'TotalBsmtSF', 'Heatin
g',
       'HeatingQC', 'CentralAir', 'Electrical', '1stFlrSF', '2ndFlrSF',
       'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath', 'FullB
ath',
       'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr', 'KitchenQual',
       'TotRmsAbvGrd', 'Functional', 'Fireplaces', 'FireplaceQu', 'GarageT
ype',
       'GarageYrBlt', 'GarageFinish', 'GarageCars', 'GarageArea', 'GarageQ
ual',
       'GarageCond', 'PavedDrive', 'WoodDeckSF', 'OpenPorchSF',
       'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'PoolQC',
       'Fence', 'MiscFeature', 'MiscVal', 'MoSold', 'YrSold', 'SaleType',
       'SaleCondition', 'SalePrice'],
      dtype='object')
```

In [58]:

```
# Analysis of Variables MSZoning ', ' MSSubClass ', ' SalePrice  
df2 = df1[['MSZoning', 'MSSubClass', 'SalePrice']]
```

In [59]:

```
df2.head()
```

Out[59]:

	<b>MSZoning</b>	<b>MSSubClass</b>	<b>SalePrice</b>
<b>0</b>	RL	60	208500
<b>1</b>	RL	20	181500
<b>2</b>	RL	60	223500
<b>3</b>	RL	70	140000
<b>4</b>	RL	60	250000

In [60]:

```
# put to plot the class under analysis "SalePrice"  
# sns.pairplot(df2, hue = "SalePrice")
```

In [61]:

```
# Table with average prices in each zone, and count by type of property
X_pvt1 = pd.pivot_table(df, index=['MSSubClass'],
                        columns=['MSZoning'],
                        values=['SalePrice'],
                        aggfunc=[np.mean, np.count_nonzero], margins=True)
X_pvt1.head(25)
```

Out[61]:

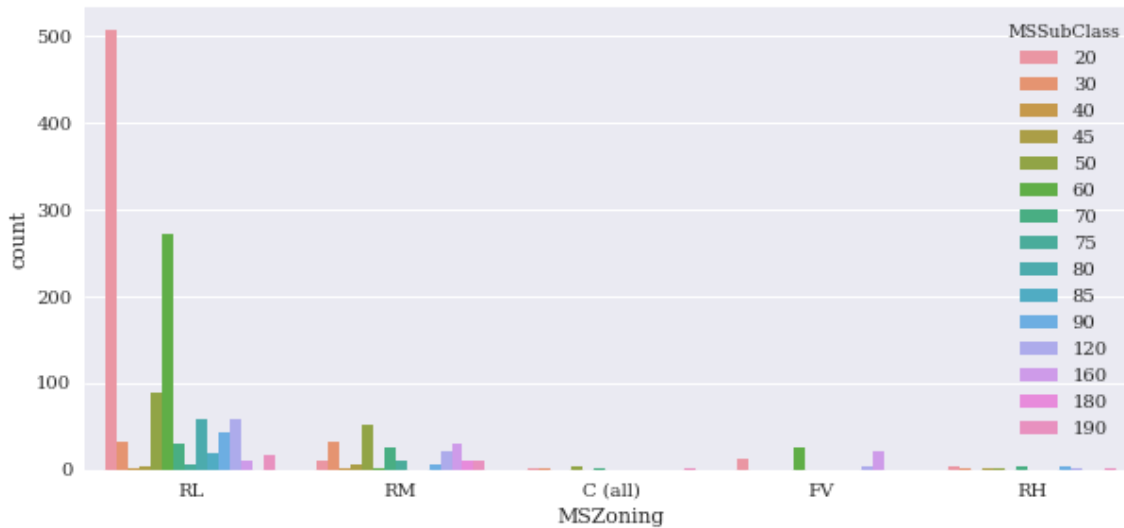
	mean				
	SalePrice				
MSZoning	C (all)	FV	RH	RL	RM
MSSubClass					
20	45652.0	226289.538462	102966.666667	186467.039370	121327.500000
30	57950.0	NaN	79000.000000	96481.212121	97983.969697
40	NaN	NaN	NaN	196500.000000	115750.000000
45	NaN	NaN	76000.000000	110050.000000	112414.285714
50	91044.0	NaN	159434.000000	156277.477273	124698.039216
60	NaN	248558.600000	NaN	239544.457875	135000.000000
70	40000.0	NaN	124533.333333	199808.733333	138403.192308
75	NaN	NaN	NaN	184750.000000	197050.000000
80	NaN	NaN	NaN	169736.551724	NaN
85	NaN	NaN	NaN	147810.000000	NaN
90	NaN	NaN	144666.666667	132379.906977	136300.000000
120	NaN	226140.000000	157000.000000	210029.491525	172920.952381
160	NaN	164749.318182	NaN	164909.090909	109876.666667
180	NaN	NaN	NaN	NaN	102300.000000
190	133900.0	NaN	180000.000000	134662.500000	112718.181818
All	74528.0	214014.061538	131558.375000	191004.994787	126316.830275

In [62]:

```
# Plot Multi-Characteristics with Counting Subclass
plt.rcParams['figure.figsize'] = (10.0, 4.5)
ax = sns.countplot(x="MSZoning", hue="MSSubClass", data=df2)
```

C:\ProgramData\Anaconda3\lib\site-packages\seaborn\categorical.py:1468: FutureWarning: remove\_na is deprecated and is a private function. Do not use.

```
stat_data = remove_na(group_data[hue_mask])
```



**The houses are located mostly in the RL (Residential Low Density) Zone.**

In this context the classes of preferential houses are:

20 - STORY 1946 & NEWER ALL STYLES

50 - 1-1 / 2 STORY FINISHED ALL AGES

60 - 2-STORY 1946 & NEWER

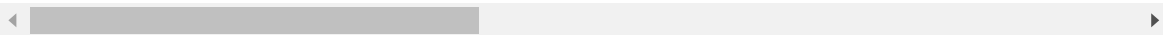
In [63]:

```
# Table with average prices in each zone, by type of property and count number of houses
X_pvt1 = pd.pivot_table(df, index=['MSZoning'],
                        columns=['MSSubClass'],
                        values=['SalePrice'],
                        aggfunc=[np.mean,np.count_nonzero], margins=True)
X_pvt1
```

Out[63]:

	mean				
	SalePrice				
MSSubClass	20	30	40	45	50
MSZoning					
C (all)	45652.000000	57950.000000	NaN	NaN	91044.000000
FV	226289.538462	NaN	NaN	NaN	NaN
RH	102966.666667	79000.000000	NaN	76000.000000	159434.000000
RL	186467.039370	96481.212121	196500.0	110050.000000	156277.477273
RM	121327.500000	97983.969697	115750.0	112414.285714	124698.039216
All	185224.811567	95829.724638	156125.0	108591.666667	143302.972222

6 rows × 32 columns



In [64]:

```
# Average price table in each zone
X_pvt2 = pd.pivot_table(df, index=['MSZoning'],
                        values=['SalePrice'],
                        aggfunc=[np.mean,np.count_nonzero], margins=True)
X_pvt2
```

Out[64]:

	mean	count_nonzero
	SalePrice	SalePrice
MSZoning		
C (all)	74528.000000	10
FV	214014.061538	65
RH	131558.375000	16
RL	191004.994787	1151
RM	126316.830275	218
All	180921.195890	1460

In [65]:

```
# Rename Columns
X_pvt2.columns = ['MeanSalePrice', 'CountHouses']
X_pvt2
```

Out[65]:

	MeanSalePrice	CountHouses
MSZoning		
C (all)	74528.000000	10
FV	214014.061538	65
RH	131558.375000	16
RL	191004.994787	1151
RM	126316.830275	218
All	180921.195890	1460

In [66]:

```
# Multiply Number houses by 10 to plot
X_pvt3 = X_pvt2
X_pvt3.CountHouses = X_pvt3.CountHouses * 10
```

In [67]:

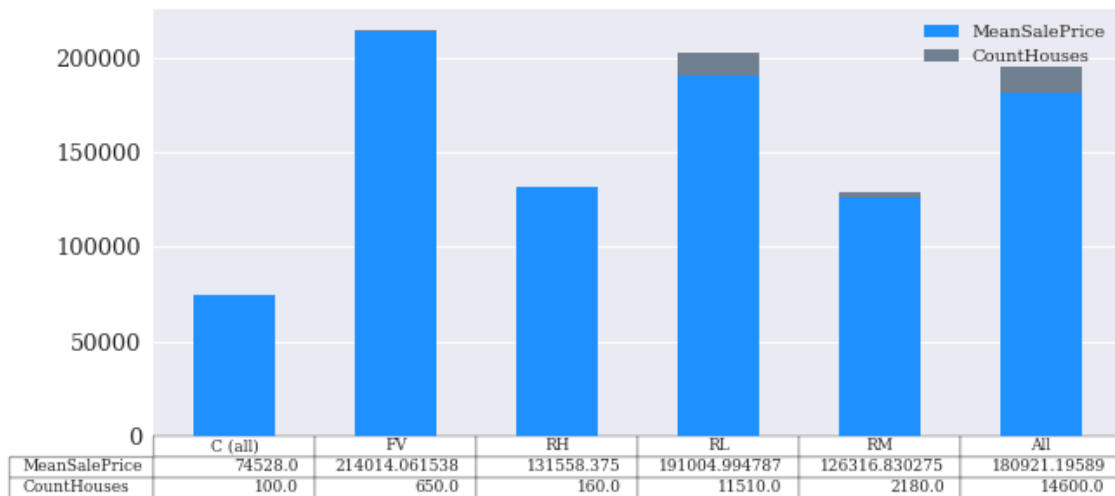
X\_pvt3

Out[67]:

	MeanSalePrice	CountHouses
MSZoning		
C (all)	74528.000000	100
FV	214014.061538	650
RH	131558.375000	160
RL	191004.994787	11510
RM	126316.830275	2180
All	180921.195890	14600

In [68]:

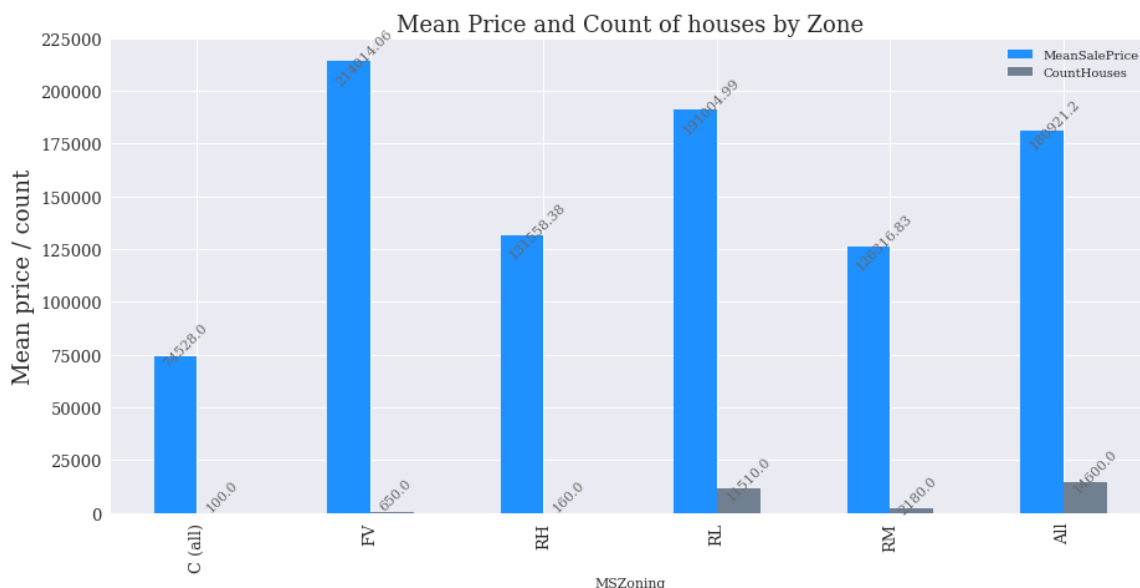
```
# PLOT 2 columns in one bar (stacked=true)
myplot = X_pvt3.plot(kind='bar', stacked='True', table=True,
                    color=['dodgerblue', 'slategray'], fontsize=13)
myplot.axes.get_xaxis().set_visible(False)
plt.show()
```



In [69]:

```
ax = X_pvt3[['MeanSalePrice', 'CountHouses']].plot(kind='bar',
            figsize=(15,7), color=['dodgerblue', 'slategray'], fontsize=13);
ax.set_alpha(0.8)
ax.set_title("Mean Price and Count of houses by Zone",
            fontsize=18)
ax.set_ylabel("Mean price / count", fontsize=18);

# set individual bar lables using above list
for i in ax.patches:
    # get_x pulls left or right; get_height pushes up or down
    ax.text(i.get_x()+.04, i.get_height()+12000, \
            str(round((i.get_height()), 2)), fontsize=11, color='dimgrey',
            rotation=45)
```





In [70]:

```
# Bar chart plot
X_pvt2.plot(kind='bar', figsize=(8,6), grid=True, fontsize=12)
plt.title('Average Price of Real Estate by Zone and number houses',fontsize=12)
plt.xlabel('Zon',fontsize=12)
plt.ylabel('Mean Price',fontsize=12)
plt.show()
```



The RL zone is the one with the most houses available, and it is the second most expensive zone. The FV zone with very little supply of houses has the most expensive prices.

In [71]:

```
# Table with average prices in each zone, and count number of houses in each Zone
X_pvt3 = pd.pivot_table(df_train, index=['MSZoning'],
                        values=['SalePrice'],
                        aggfunc=[np.mean,len], margins=True)
X_pvt3
```

Out[71]:

	mean	len
	SalePrice	SalePrice
MSZoning		
C (all)	74528.000000	10
FV	214014.061538	65
RH	131558.375000	16
RL	191004.994787	1151
RM	126316.830275	218
All	180921.195890	1460

In [72]:

```
X_pvt3.columns[0]
```

Out[72]:

```
('mean', 'SalePrice')
```

In [73]:

```
# Rename columns
X_pvt3.columns = ['MeanPrice', 'Count']
X_pvt3
```

Out[73]:

	MeanPrice	Count
MSZoning		
C (all)	74528.000000	10
FV	214014.061538	65
RH	131558.375000	16
RL	191004.994787	1151
RM	126316.830275	218
All	180921.195890	1460

In [74]:

```
# Divide price by 100 for better presentation
X_pvt4 = X_pvt3
X_pvt4.MeanPrice = X_pvt4.MeanPrice / 100
X_pvt4
```

Out[74]:

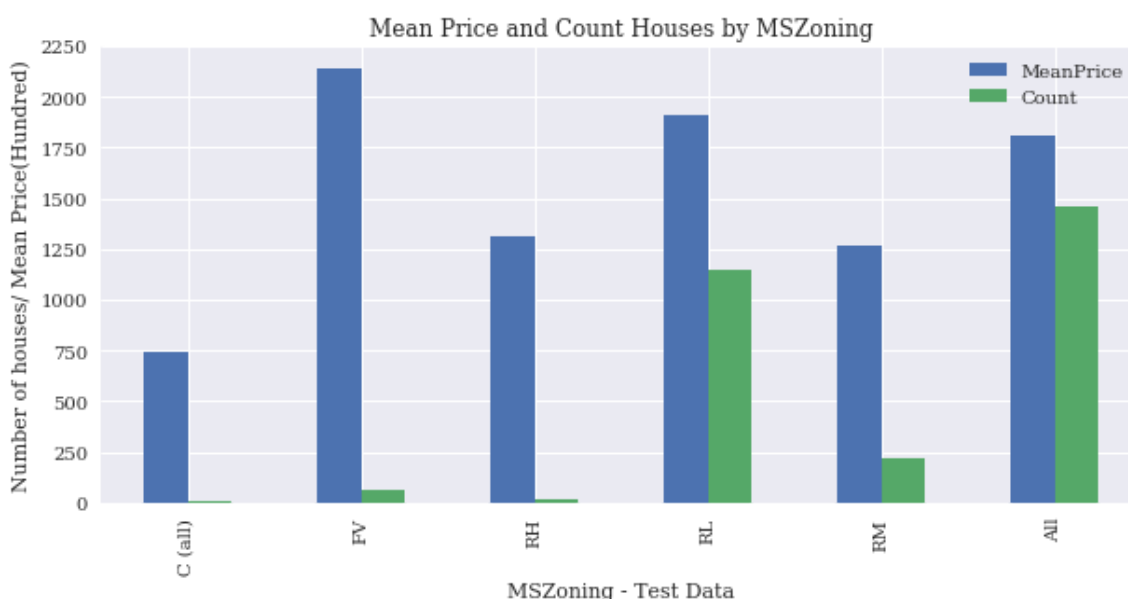
	MeanPrice	Count
MSZoning		
C (all)	745.280000	10
FV	2140.140615	65
RH	1315.583750	16
RL	1910.049948	1151
RM	1263.168303	218
All	1809.211959	1460

In [75]:

```
# Plot number houses and mean price by MSZoning
df = X_pvt4
ax=df.plot.bar()
ax.set_title('Mean Price and Count Houses by MSZoning')
ax.set_ylabel('Number of houses/ Mean Price(Hundred)')
ax.set_xlabel('MSZoning - Test Data')
# Rotação das Labels
g.set_xticklabels(g.get_xticklabels(), rotation=30)
```

Out[75]:

```
[<matplotlib.text.Text at 0x2ace75ee550>,
<matplotlib.text.Text at 0x2ace763e240>,
<matplotlib.text.Text at 0x2ace76dc390>,
<matplotlib.text.Text at 0x2ace7616ef0>,
<matplotlib.text.Text at 0x2ace75ee2b0>,
<matplotlib.text.Text at 0x2ace76dcf60>,
<matplotlib.text.Text at 0x2ace76e8978>,
<matplotlib.text.Text at 0x2ace76ec470>,
<matplotlib.text.Text at 0x2ace76ecf28>,
<matplotlib.text.Text at 0x2ace76f2a20>,
<matplotlib.text.Text at 0x2ace76f7518>,
<matplotlib.text.Text at 0x2ace76f7fd0>,
<matplotlib.text.Text at 0x2ace76fdac8>,
<matplotlib.text.Text at 0x2ace78865c0>,
<matplotlib.text.Text at 0x2ace78890b8>,
<matplotlib.text.Text at 0x2ace7889b70>,
<matplotlib.text.Text at 0x2ace788f668>,
<matplotlib.text.Text at 0x2ace7898160>,
<matplotlib.text.Text at 0x2ace7898c18>,
<matplotlib.text.Text at 0x2ace78a0710>,
<matplotlib.text.Text at 0x2ace78a4208>,
<matplotlib.text.Text at 0x2ace78a4cc0>,
<matplotlib.text.Text at 0x2ace78ab7b8>,
<matplotlib.text.Text at 0x2ace78b02b0>,
<matplotlib.text.Text at 0x2ace78b0d68>]
```



Comparative analysis between the number of houses and their average price per Zone.

### 3. Transform Data

In [360]:

```
# Erase columns without Correlation analysis between data

#del data_X["BsmtFinType1"]
#del data_X["BsmtFinType2"]
#del data_X["BsmtQual"]
#del data_X["CentralAir"]
#del data_X["Condition1"]
#del data_X["Condition2"]
#del data_X["Electrical"]
#del data_X["Exterior1st"]
#del data_X["Exterior2nd"]
#del data_X["GarageQual"]
```

In [361]:

```
# We can retrieve the names of features that are in fact non-numerical 'objects' as follows,
# to analyse all object columns and transform them.

data_X.select_dtypes(include = [object]).columns
```

Out[361]:

```
Index(['Alley', 'BsmtCond', 'BsmtExposure', 'ExterCond', 'ExterQual', 'Fence',
       'FireplaceQu', 'Foundation', 'Functional', 'GarageCond', 'GarageFinish',
       'GarageType', 'Heating', 'HeatingQC', 'HouseStyle', 'KitchenQual',
       'LandContour', 'LandSlope', 'LotConfig', 'MSZoning', 'MasVnrType',
       'MiscFeature', 'PavedDrive', 'PoolQC', 'RoofMatl', 'RoofStyle',
       'SaleCondition', 'SaleType'],
      dtype='object')
```

In [362]:

```
# Show object columns
columns = data_X.select_dtypes(include = [object]).columns

dfz = pd.DataFrame(data_X, columns=columns)
dfz.head()
```

Out[362]:

	Alley	BsmtCond	BsmtExposure	ExterCond	ExterQual	Fence	FireplaceQu	Foun
0	None	TA	No	TA	Gd	None	None	PCor
1	None	TA	Gd	TA	TA	None	TA	CBloc
2	None	TA	Mn	TA	Gd	None	TA	PCor
3	None	Gd	No	TA	TA	None	Gd	BrkTi
4	None	TA	Av	TA	Gd	None	TA	PCor

5 rows × 28 columns



In [363]:

```
# Verify all distinct values for a column - RoofStyle
data_X["RoofStyle"].value_counts()
```

Out[363]:

```
Gable      2310
Hip         551
Gambrel     22
Flat        20
Mansard     11
Shed         5
Name: RoofStyle, dtype: int64
```

In [364]:

```
# Convert to numbers - RoofStyle
# Create a List with Values
target_names = data_X["RoofStyle"].unique()
# Create a dictionary with Values and index
target_dict = {n:i for i, n in enumerate(target_names)}
# Replace values
data_X.RoofStyle = data_X.RoofStyle.replace(target_dict)
```

In [365]:

```
# Verify all distinct values for a column - RoofMatl
data_X["RoofMatl"].value_counts()
```

Out[365]:

```
CompShg      2876
Tar&Grv       23
WdShake       9
WdShngl       7
ClyTile       1
Membran       1
Roll          1
Metal         1
Name: RoofMatl, dtype: int64
```

In [366]:

```
# Convert to numbers - RoofMatl
# Create a List with Values
target_names = data_X["RoofMatl"].unique()
# Create a dictionary with Values and index
target_dict = {n:i for i, n in enumerate(target_names)}
# Replace values
data_X.RoofMatl = data_X.RoofMatl.replace(target_names)
```

In [440]:

```
# Convert to numbers - RoofMatl
data_X.RoofMatl = \
    data_X.RoofMatl.replace({'CompShg':1})
```

In [367]:

```
# Verify all distinct values for a column - PoolQC
data_X["PoolQC"].value_counts()
```

Out[367]:

```
None      2909
Gd         4
Ex         4
Fa         2
Name: PoolQC, dtype: int64
```

In [368]:

```
# Most of them are the same values 'None' , Let's erase the column
del data_X["PoolQC"]
```

In [372]:

```
# Verify all distinct values for a column - PavedDrive
data_X["PavedDrive"].value_counts()
```

Out[372]:

```
0    2641
1     216
2      62
Name: PavedDrive, dtype: int64
```

In [374]:

```
# Convert to numbers - PavedDrive
#data_X.PavedDrive = data_X.PavedDrive.replace({'Y':0, 'N':1, 'P':2})
```

In [375]:

```
# Verify all distinct values for a column - MiscFeature
data_X["MiscFeature"].value_counts()
```

Out[375]:

```
None    2814
Shed      95
Gar2       5
Othr       4
TenC       1
Name: MiscFeature, dtype: int64
```

In [376]:

```
# Most of them are the same values 'None' , let's erase the column
del data_X["MiscFeature"]
```

In [377]:

```
# Verify all distinct values for a column - MasVnrType
data_X["MasVnrType"].value_counts()
```

Out[377]:

```
None    1766
BrkFace   879
Stone    249
BrkCmn     25
Name: MasVnrType, dtype: int64
```

In [378]:

```
# Convert to numbers - MasVnrType
data_X.MasVnrType = \
    data_X.MasVnrType.replace({'None':0, 'BrkFace':1, 'Stone':2, 'BrkCmn':3})
```



In [379]:

```
# Verify all distinct values for a column - MSZoning
data_X["MSZoning"].value_counts()
```

Out[379]:

```
RL      2269
RM      460
FV      139
RH       26
C (all)   25
Name: MSZoning, dtype: int64
```

In [380]:

```
# Convert to numbers - MSZoning
data_X.MSZoning = \
    data_X.MSZoning.replace({'RL':0, 'RM':1, 'FV':2, 'RH':3, 'C (all)':4})
```

In [381]:

```
# Verify all distinct values for a column - LotConfig
data_X["LotConfig"].value_counts()
```

Out[381]:

```
Inside    2133
Corner     511
CulDSac    176
FR2        85
FR3        14
Name: LotConfig, dtype: int64
```

In [382]:

```
# Convert to numbers - LotConfig
data_X.LotConfig = \
    data_X.LotConfig.replace({'Inside':0, 'Corner':1, 'CulDSac':2, 'FR2':3, 'FR3':4})
```

In [383]:

```
# Verify all distinct values for a column - LandSlope
data_X["LandSlope"].value_counts()
```

Out[383]:

```
Gtl      2778
Mod       125
Sev       16
Name: LandSlope, dtype: int64
```

In [384]:

```
# Most of them are the same values 'Gtl' , Let's erase the column
del data_X["LandSlope"]
```

In [385]:

```
# Verify all distinct values for a column - LandContour
data_X["LandContour"].value_counts()
```

Out[385]:

```
Lv1    2622
HLS     120
Bnk     117
Low      60
Name: LandContour, dtype: int64
```

In [386]:

```
# Convert to numbers - LandContour
data_X.LandContour = \
    data_X.LandContour.replace({'Lv1':0, 'HLS':1, 'Bnk':2, 'Low':3})
```

In [387]:

```
# Verify all distinct values for a column - KitchenQual
data_X["KitchenQual"].value_counts()
```

Out[387]:

```
TA     1493
Gd     1151
Ex      205
Fa       70
Name: KitchenQual, dtype: int64
```

In [388]:

```
# Convert to numbers - KitchenQual
data_X.KitchenQual = \
    data_X.KitchenQual.replace({'TA':0, 'Gd':1, 'Ex':2, 'Fa':3})
```

In [389]:

```
# Verify all distinct values for a column - HouseStyle
data_X["HouseStyle"].value_counts()
```

Out[389]:

```
1Story    1471
2Story     872
1.5Fin     314
SLvl      128
SFoyer     83
2.5Unf     24
1.5Unf     19
2.5Fin      8
Name: HouseStyle, dtype: int64
```

In [390]:

```
# Convert to numbers - HouseStyle
data_X.HouseStyle = \
    data_X.HouseStyle.replace({'1Story':0, '2Story':1, '1.5Fin':2, 'SLvl':3, 'SFoyer':4,
    '2.5Unf':5, '1.5Unf':6, '2.5Fin':7})
```

In [391]:

```
# Verify all distinct values for a column - GarageFinish
data_X["GarageFinish"].value_counts()
```

Out[391]:

```
Unf      1230
RFn       811
Fin       719
None      159
Name: GarageFinish, dtype: int64
```

In [392]:

```
# Convert to numbers - GarageType
data_X.GarageFinish = \
    data_X.GarageFinish.replace({'Unf':0, 'RFn':1, 'Fin':2, 'None':3})
```

In [393]:

```
# Verify all distinct values for a column - HeatingQC
data_X["HeatingQC"].value_counts()
```

Out[393]:

```
Ex      1493
TA       857
Gd       474
Fa        92
Po         3
Name: HeatingQC, dtype: int64
```

In [394]:

```
# Convert to numbers - GarageType
data_X.HeatingQC = \
    data_X.HeatingQC.replace({'Ex':0, 'TA':1, 'Gd':2, 'Fa':3, 'Po':4})
```

In [395]:

```
# Verify all distinct values for a column - Heating
data_X["Heating"].value_counts()
```

Out[395]:

```
GasA      2874
GasW       27
Grav        9
Wall        6
OthW        2
Floor        1
Name: Heating, dtype: int64
```

In [396]:

```
# Most of them are the same values 'GasA', let's erase the column
del data_X["Heating"]
```

In [397]:

```
# Verify all distinct values for a column - GarageType
data_X["GarageType"].value_counts()
```

Out[397]:

```
Attchd      1723
Detchd       779
BuiltIn      186
None         157
Basment       36
2Types        23
CarPort       15
Name: GarageType, dtype: int64
```

In [398]:

```
# Convert to numbers - GarageType
data_X.GarageType = \
    data_X.GarageType.replace({'Attchd':0, 'Detchd':1, 'BuiltIn':2, 'None':3, 'Basment':4, '2Types':5, 'CarPort':6})
```

In [399]:

```
# Verify all distinct values for a column - GarageCond
data_X["GarageCond"].value_counts()
```

Out[399]:

```
TA          2654
None         159
Fa           74
Gd           15
Po           14
Ex            3
Name: GarageCond, dtype: int64
```

In [ ]:

In [400]:

```
# Most of them are the same values ' TA' , let's erase the column
del data_X["GarageCond"]
```

In [401]:

```
# Verify all distinct values for a column - Functional
data_X["Functional"].value_counts()
```

Out[401]:

```
Typ      2719
Min2      70
Min1      65
Mod       35
Maj1      19
Maj2       9
Sev        2
Name: Functional, dtype: int64
```

In [402]:

```
# Most of them are Typ, Let's erase the column
del data_X["Functional"]
```

In [403]:

```
# Verify all distinct values for a column - Foundation
data_X["Foundation"].value_counts()
```

Out[403]:

```
PConc      1308
CBlock     1235
BrkTil      311
Slab         49
Stone       11
Wood         5
Name: Foundation, dtype: int64
```

In [404]:

```
# Convert to numbers - Foundation
data_X.Foundation = \
    data_X.Foundation.replace({'PConc':0, 'CBlock':1, 'BrkTil':2, 'Slab':3, 'Stone':4,
    'Wood':5})
```

In [405]:

```
# Verify all distinct values for a column - FireplaceQu
data_X["FireplaceQu"].value_counts()
```

Out[405]:

```
None      1420
Gd         744
TA         592
Fa          74
Po          46
Ex          43
Name: FireplaceQu, dtype: int64
```

In [406]:

```
# Convert to numbers - FireplaceQu
data_X.FireplaceQu = \
    data_X.FireplaceQu.replace({'None':0, 'Gd':1, 'TA':2, 'Fa':3, 'Po':4, 'Ex':5})
```

In [407]:

```
# Verify all distinct values for a column - ExterQual
data_X["Fence"].value_counts()
```

Out[407]:

```
None      2348
MnPrv      329
GdPrv      118
GdWo       112
MnWw        12
Name: Fence, dtype: int64
```

In [408]:

```
# Most of them are None, Let's erase the column
del data_X["Fence"]
```

In [409]:

```
# Verify all distinct values for a column - ExterQual
data_X["ExterQual"].value_counts()
```

Out[409]:

```
TA      1798
Gd       979
Ex       107
Fa        35
Name: ExterQual, dtype: int64
```

In [410]:

```
# Convert to numbers - ExterQual
data_X.ExterQual = \
    data_X.ExterQual.replace({'TA':0, 'Gd':1, 'Ex':2, 'Fa':3})
```

In [411]:

```
# Verify all distinct values for a column - ExterCond
data_X["ExterCond"].value_counts()
```

Out[411]:

```
TA      2538
Gd       299
Fa        67
Ex        12
Po         3
Name: ExterCond, dtype: int64
```

In [412]:

```
# Most of them are TA, let's erase the column  
del data_X["ExterCond"]
```

In [414]:

```
# Verify all distinct values for a column - BsmtExposure  
data_X["BsmtExposure"].value_counts()
```

Out[414]:

```
No      1904  
Av       418  
Gd       276  
Mn       239  
None      82  
Name: BsmtExposure, dtype: int64
```

In [415]:

```
# Convert to numbers - BsmtExposure  
data_X.BsmtExposure = \  
    data_X.BsmtExposure.replace({'No':0, 'Av':1, 'Gd':2, 'Mn':3, 'None':4})
```

In [416]:

```
# Verify all distinct values for a column - BsmtExposure  
data_X["BsmtExposure"].value_counts()
```

Out[416]:

```
0      1904  
1       418  
2       276  
3       239  
4        82  
Name: BsmtExposure, dtype: int64
```

In [417]:

```
# Verify all distinct values for a column - BsmtCond  
data_X["BsmtCond"].value_counts()
```

Out[417]:

```
TA      2606  
Gd       122  
Fa       104  
None      82  
Po         5  
Name: BsmtCond, dtype: int64
```

In [418]:

```
# Most of them are TA, let's erase the column  
del data_X["BsmtCond"]
```

In [419]:

```
# Verify all distinct values for a column - Alley
data_X["Alley"].value_counts()
```

Out[419]:

```
None      2721
Grvl       120
Pave        78
Name: Alley, dtype: int64
```

In [420]:

```
# Most of them are empty, let's erase the column
del data_X["Alley"]
```

In [421]:

```
# Verify all distinct values for a column - SaleType
data_X["SaleType"].value_counts()
```

Out[421]:

```
WD      2526
New      239
COD       87
ConLD     26
CWD       12
ConLI       9
ConLw       8
Oth         7
Con          5
Name: SaleType, dtype: int64
```

In [422]:

```
# Convert to numbers - SaleType
data_X.SaleType = \
    data_X.SaleType.replace({'WD':0, 'New':1, 'COD':2, 'ConLD':3, 'CWD':4, 'ConLI':5,
    'ConLw':6, 'Oth':7, 'Con':8})
```

In [423]:

```
# Verify all distinct values for a column - SaleType
data_X["SaleType"].value_counts()
```

Out[423]:

```
0      2526
1       239
2        87
3        26
4        12
5         9
6         8
7         7
8         5
Name: SaleType, dtype: int64
```



In [424]:

```
# Convert to numbers - SaleCondition
# Verify all distinct values for a column - SaleCondition
data_X["SaleCondition"].value_counts()
```

Out[424]:

```
Normal      2402
Partial     245
Abnorml     190
Family       46
Alloca       24
AdjLand      12
Name: SaleCondition, dtype: int64
```

In [425]:

```
# Convert to numbers - SaleCondition
data_X.SaleCondition = \
    data_X.SaleCondition.replace({'Normal':0, 'Partial':1, 'Abnorml':2, 'Family':3, 'Alloca':4, 'AdjLand':5})
```

In [426]:

```
# Verify all distinct values for a column - SaleCondition
data_X["SaleCondition"].value_counts()
```

Out[426]:

```
0      2402
1       245
2       190
3        46
4        24
5        12
Name: SaleCondition, dtype: int64
```

## 4. Modeling

Using a simple linear model with the sci-kit learn library available for python

Using scikit-learn module for linear models

In [427]:

```
from sklearn import linear_model
```

In [441]:

```
X = data_X.drop('SalePrice',1)
#y = np.Log(data_X.SalePrice)
y = data_X["SalePrice"].values
```

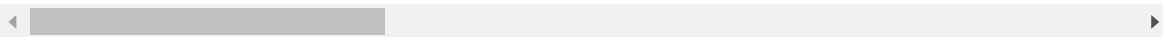
In [442]:

```
X.head()
```

Out[442]:

	1stFlrSF	2ndFlrSF	3SsnPorch	BedroomAbvGr	BldgType	BsmtExposure	BsmtFi
0	856	854	0	3	0	0	706.0
1	1262	0	0	3	0	2	978.0
2	920	866	0	3	0	3	486.0
3	961	756	0	3	0	0	216.0
4	1145	1053	0	4	0	1	655.0

5 rows × 58 columns



In [443]:

```
y
```

Out[443]:

```
array([ 208500., 181500., 223500., ...,
        180921.19589041, 180921.19589041, 180921.19589041])
```

In [444]:

```
scaler = linear_model.LinearRegression()
```

In [445]:

```
count_missing(data_X)
```

```
Series([], dtype: float64)
```

In [446]:

```
# Count null data in each column  
data_X.isnull().sum()
```

Out[446]:

1stFlrSF	0
2ndFlrSF	0
3SsnPorch	0
BedroomAbvGr	0
BldgType	0
BsmtExposure	0
BsmtFinSF1	0
BsmtFinSF2	0
BsmtFullBath	0
BsmtHalfBath	0
BsmtUnfSF	0
EnclosedPorch	0
ExterQual	0
FireplaceQu	0
Fireplaces	0
Foundation	0
FullBath	0
GarageArea	0
GarageCars	0
GarageFinish	0
GarageType	0
GarageYrBlt	0
GrLivArea	0
HalfBath	0
HeatingQC	0
HouseStyle	0
Id	0
KitchenAbvGr	0
KitchenQual	0
LandContour	0
LotArea	0
LotConfig	0
LotFrontage	0
LotShape	0
LowQualFinSF	0
MSSubClass	0
MSZoning	0
MasVnrArea	0
MasVnrType	0
MiscVal	0
MoSold	0
Neighborhood	0
OpenPorchSF	0
OverallCond	0
OverallQual	0
PavedDrive	0
PoolArea	0
RoofMatl	0
RoofStyle	0
SaleCondition	0
SalePrice	0
SaleType	0
ScreenPorch	0
TotRmsAbvGrd	0
TotalBsmtSF	0
WoodDeckSF	0
YearBuilt	0
YearRemodAdd	0

```
YrSold          0  
dtype: int64
```

In [447]:

```
scaler.fit(X,y)
```

Out[447]:

```
LinearRegression(copy_X=True, fit_intercept=True, n_jobs=1, normalize=False)
```

In [449]:

```
y_test_predicted = scaler.predict(X)
```

In [450]:

```
y_test_predicted_dollars = np.exp(y_test_predicted)
```

In [451]:

```
# Analyse scores  
from sklearn.model_selection import cross_val_score
```

In [452]:

```
scores = cross_val_score(scaler, X, y, cv=5,  
                          scoring = 'neg_mean_squared_error')
```

```
scores = np.sqrt(abs(scores))
```

```
print("CV score: ", scores.mean())
```

```
CV score: 49963.4063342
```

In [453]:

```
# Creating data division for Test and Train  
from sklearn.model_selection import train_test_split
```

In [454]:

```
X_test, X_train, y_test, y_train = \  
train_test_split(X, y, test_size=0.8, shuffle = True)
```

```
scaler.fit(X_train, y_train)  
y_test_predicted = scaler.predict(X_test)
```

In [459]:

```
#y_test_predicted
```

In [460]:

```
# Compute the errors made by our model both as dollar values and as percentages  
# of the true sale price:
```

```
#USD_errors = np.exp(y_test) - np.exp(y_test_predicted)  
USD_errors = y_test - y_test_predicted  
percent_errors = USD_errors/np.exp(y_test) * 100
```

In [463]:

```
# Plot results  
plt.hist(USD_errors, bins = np.linspace(-140000, 140000, 40))  
plt.xlabel('$ error in sale price')
```

Out[463]:

<matplotlib.text.Text at 0x2acfdfb3eb8>

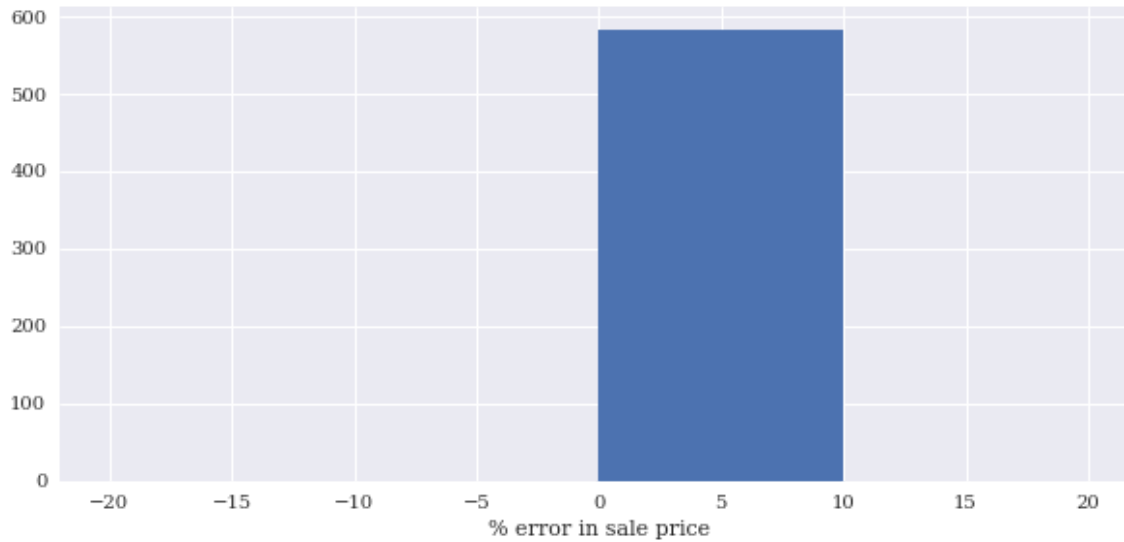


In [467]:

```
# Plot results  
plt.hist(percent_errors, bins = np.linspace(-20,20,5))  
plt.xlabel('% error in sale price')
```

Out[467]:

<matplotlib.text.Text at 0x2acecb6b160>



In [ ]: