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| Internship Project Title | Intelligent Property Analyser |
| Name of the Company | TSC iON |
| Name of the Industry Mentor | Omprakash Mandge |
| Name of the Institute | MET Institute of Software Development and Research, Mumbai |

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| --- | --- | --- | --- | --- |
| Start Date | End Date | Total Effort (hrs.) | Project Environment | Tools used |
| 09/09/2024 | 18/09/2024 | 46 | Windows 11, Chrome, VScode | Python, Colab Notebook, SQL, Flask, HTML, CSS |
| Milestone # | | Milestone: | Predict the price of residential properties based on various factors. | |

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**1. Acknowledgements**

I’m thankful to TCS iON for providing this internship. I'd want to offer my heartfelt gratitude and appreciation to my industry mentor Mr. Omprakash Mandge for his time & efforts and for helping me to complete my internship project successfully.

**2. Objectives**

In this project, we create an end-to-end web user interface-driven system powered by machine learning algorithms and built with Python-centric modules that can estimate the price of housing properties depending on a variety of conditions and parameters.

1. Predict the approximate price of a residential property based on several property-related criteria.
2. Create a web user interface enabling users to access the system and feed property data for analysis.
3. Design end to end ML-based system that has been trained with enough data to complete the task with acceptable accuracy.

**3. Introduction**

People and real estate agencies both buy and sell houses; people buy to live in or invest in, while agencies buy to run a business. In any case, we believe that everyone should receive exactly what they pay for. Over- and under-valuation in housing markets has always been a problem, and there are no proper detection measures in place.

A Buyer's main goal is to find their dream home with all of the features they require. Additionally, they search for houses/real estate with a price in mind, and there is no assurance that they will obtain the goods at a fair and not inflated price. Similarly, a seller seeks for a specific figure that they can put on the estate as a price tag, and this cannot be just a random estimate; much study is required to produce a property value. A system capable of precisely predicting pricing and catering to everyone's demands may be constructed by training an ML model with hundreds of thousands of data points.

In this project, we will create a web app for house price prediction. First, we'll define our app's data model. We'll also design a view for the web app that displays the data model and allows users to interact with it. Finally, we will build a prediction model using a variety of machine learning algorithms such as linear regression, decision trees, etc. The web app will then be created and deployed to a server using Flask web framework.

**4. Internship Activities**

**Stage 1: Develop ML model using python**

1. Data Collection
2. Data Preprocessing
3. Model Selection
4. Training the model
5. Evaluating model
6. Parameter Tuning
7. Making Predictions

**Stage 2: Setting up MySQL database**

1. Setup MySQL database
2. Database would be used by users/admins to populate records and predicted prices of properties

**Stage 3: Develop Flask based web project**

1. Develop Web-UI
2. Users can view properties and get predicted prices
3. Designing report that displays predicted property prices

**5. Methods and Algorithms**

Steps Involved:

1. Importing the necessary Python packages into our environment
2. Importing house price data and performing EDA on it
3. Visualization of statistics on house prices
4. Data Splitting and Feature Selection
5. Using ML algorithms to model the data
6. Using the assessment metrics to evaluate model
7. Price prediction
8. Developing web app for price prediction

We have used these models for regression: Linear Regression, Decision Tree and Random Forrest.

Linear Regression:

Linear regression is a statistical technique for examining the relationship between two or more variables. It can be used to predict values based on past data and to explain variation in the response variable caused by variation in the explanatory variables. Linear regression models can be simple, with only one independent variable (simple linear regression), or complex, with multiple independent variables (complex linear regression) (multiple linear regression). In both cases, the model is a linear function of the independent variables, which means that for each unit of change in the independent variable, a fixed amount is added to the final result. When using multiple linear regression, the model is expressed as an equation with the independent variables on the right and the response variable on the left. The coefficients of the equation show how much a change in the independent variables is predicted to affect the response variable.

Decision Tree:

Decision Tree Regression is a type of supervised learning technique used to predict continuous values. It is a nonparametric model that uses a decision tree structure to make predictions about the target variable. The decision tree is created by splitting the data based on the values of the features, and then making predictions based on the average of the values of the target variable in each group. This approach allows the model to capture non-linear relationships between the features and the target variable. It is also able to handle missing data and outliers and can provide more accurate predictions than linear regression models.

Random forest:

Random forest regression is a supervised learning algorithm that uses an ensemble of decision trees to predict a continuous target variable. This method is a powerful tool for machine learning, as it combines the power of multiple decision trees to produce a more accurate and reliable prediction than a single decision tree. The algorithm works by randomly selecting a subset of features from the dataset, which are then used as candidates to split the data into different branches. Each branch is then used to build a decision tree, which is then used to make a prediction. The predictions from all the trees are then combined to produce a single prediction. The random forest regression model has been found to be more accurate and robust than other machine learning algorithms.

**6. Assumptions**

We have to predict housing prices using the given dataset. We assume that the data provided is free from errors and its features are related to target variable i.e., price.

**7. Project Analysis**

## **7.1 EDA**

A pie chart with numbers and a few different colored circles

Description automatically generated

A screenshot of a graph

Description automatically generated A group of blue squares

Description automatically generated A graph of numbers and a bar chart

Description automatically generated with medium confidence

A collage of blue and white bars

Description automatically generated

A row of white rectangular lines

Description automatically generated

1. Most houses have 3 bedrooms.
2. Almost all houses have 1 & 2 stories
3. Most houses have single bathroom.
4. Housing price distribution appears to increase as the area code increases. Regression analysis might be used in further research on this.
5. The majority of the homes appear to be priced similarly across different area zones.
6. In this analysis, not many outliers are present.

|  |  |
| --- | --- |
|  | price |
| price | 1.000000 |
| area | 0.535997 |
| bathrooms | 0.517545 |
| airconditioning | 0.452954 |
| stories | 0.420712 |
| parking | 0.384394 |
| bedrooms | 0.366494 |
| prefarea | 0.329777 |
| mainroad | 0.296898 |
| guestroom | 0.255517 |
| furnished | 0.229350 |
| basement | 0.187057 |
| hotwaterheating | 0.093073 |

1. According to the regression analysis, area code and home price are positively correlated. It may be necessary to use residual plots to verify that this conclusion is accurate.
2. There is no direct correlation between price and other features.

**7.2 Model Evaluation**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Model** | **R2 Score (%)** | | **MAE** | | **MSE** | **RMSE** |
| Random Forest | | 90.58 | | 206106.44 | 2.123460e+11 | 460810.12 |
| Decision Tree | | 87.25 | | 306419.45 | 2.944611e+11 | 542642.67 |
| Linear Regression | | 78.08 | | 540044.32 | 6.789095e+11 | 823959.62 |

From the above scores it is evident that Random Forest is the best model.

**8. Conclusion**

* Area is the most important feature affecting price.
* There is no direct correlation between price and other features.
* Not many outliers are present.
* Linear regression is the best fit model.
* Although some of the predicted prices are very close to actual price.
* This is because our dataset is small and other price affecting features like material cost etc are not included in this dataset.

**9. Enhancement Scope**

1. Dataset is very small; hence more data needs to be acquired.
2. Lots of price dependent features are absent. Features such as structure type, flooring type, cladding type, ceiling type etc should be included. These features are very much price dependent and are in fact the main features affecting price.

**10. Link to Code**

<https://github.com/TheYashMalore/TCS_IPA_YBM>

**11. References**

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