Project 2: Ames Housing Data & Kaggle Challenge

General Assembly DSI8

Problem Statement

Create and tune a Linear Regression model to predict housing prices at sale in Ames, IA. The Ames Housing Dataset includes over 70 features. Detailed documentation can be found here:

http://jse.amstat.org/v19n3/decock/DataDocumentation.txt

Top 10 Features Correlated to Sale Price:

- Overall Quality
- Gross Living Area
- Garage Cars
- Year Built
- Garage Area

- Full Bath
- Total Basement SF
- Year of Remodel
- Foundation
- 1st Floor SF

Modeling Process

- Train / Test Split data
- Standardize features
- Cross Validate models (Linear Regression, Lasso, Ridge)
- Fit Train data to model with best CV score (Ridge)
- Evaluate & Compare Train / Test Scores
- Predict Sale Price & model evaluation score (R2)

Conclusions: *Model is Overfit*

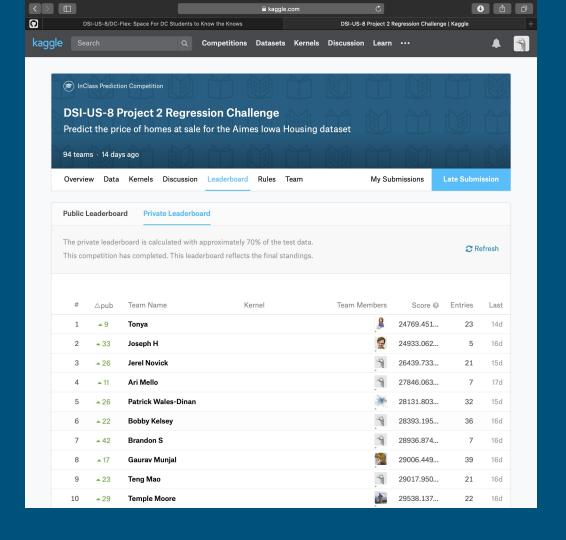
- Training Score: 92%
- Testing Score: 90%

Recommendations:

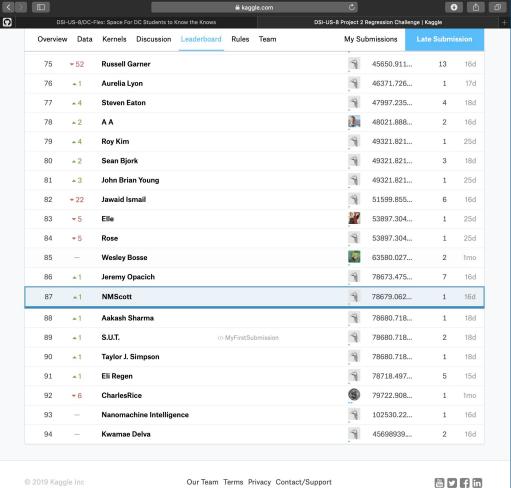
Apply feature engineering to reduce model variance.

Remove some less important noisy features and combine others to create new high-value features.

Kaggle Competition



Kaggle Leaderboard







Kaggle Conclusions:

- R2 Score: 90.7%
- Model evaluation metric is not aligned with Kaggle

Recommendations:

Re-evaluate model based on RMSE evaluation metric used by Kaggle in order to improve Leaderboard position.