

Phase-3 Submission Template

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Department: Computer Science and Engineering

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GitHub Repository Link: <https://github.com/SUGESH14/house-price-prediction.git>

1. Problem Statement

Accurate house price estimation is a key challenge in the real estate industry. Traditional valuation methods often rely on subjective expertise, which may introduce inconsistencies.

This project addresses the problem using supervised regression techniques to build a data-driven, objective, and accurate predictive model that can aid buyers, sellers, investors, and financial institutions.

2. Abstract

The goal of this project is to predict house prices based on various features like location, size, and quality using machine learning. We processed a structured dataset, performed EDA, engineered meaningful features, and built multiple regression models including Linear Regression, Random Forest, and XGBoost. The XGBoost model performed best, yielding high R^2 and low error metrics. The model was also deployed via Streamlit to allow real-time predictions. This system can significantly assist real estate stakeholders in making informed decisions.

3. System Requirements

Hardware:

- Minimum: 4GB RAM, i3 processor
- Recommended: 8GB RAM, i5/i7 processor

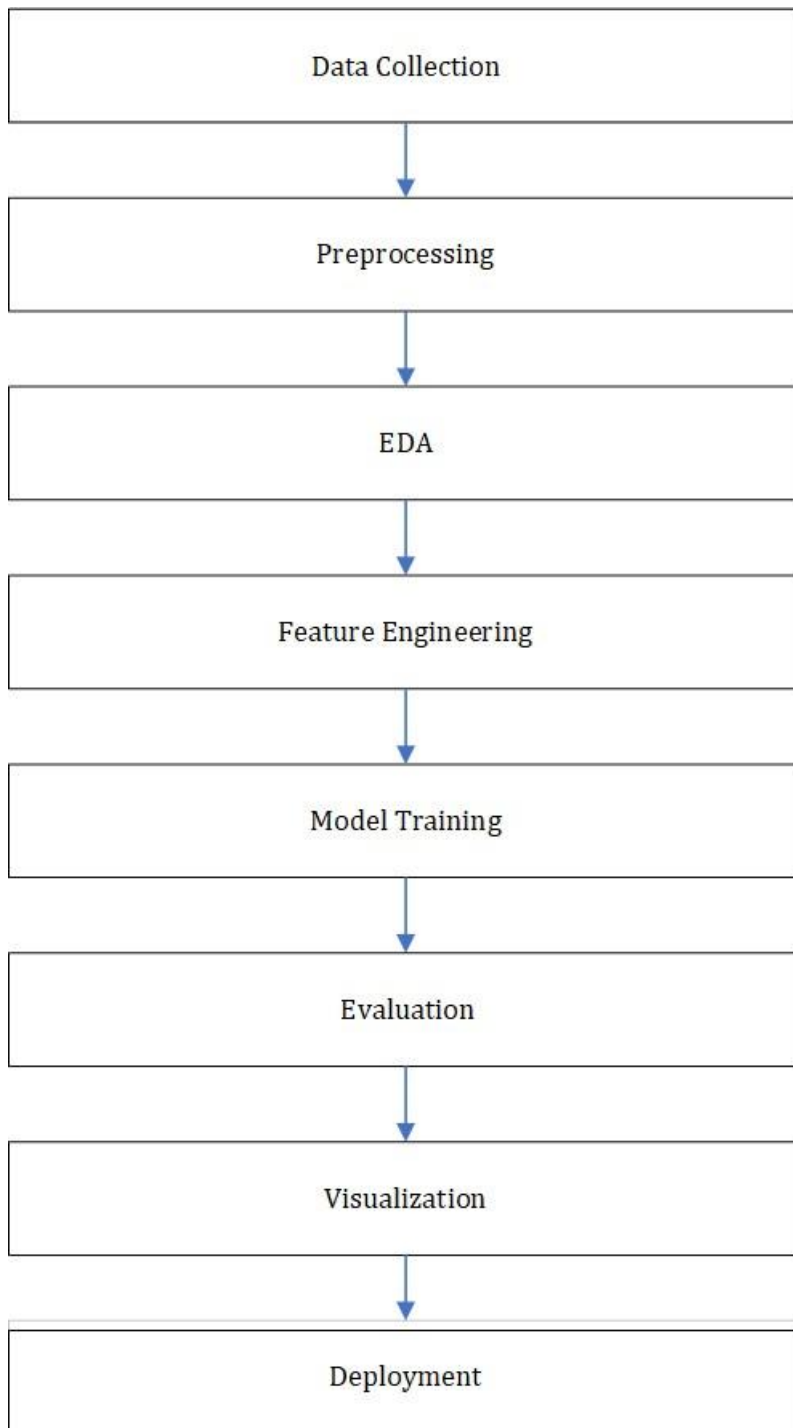
Software:

- Python 3.9+
- IDE: Google Colab / Jupyter Notebook
- Libraries: pandas, numpy, matplotlib, seaborn, scikit-learn, xgboost, lightgbm, streamlit

4. Objectives

- Analyze how housing features influence price.
- Apply regression models and compare their performance.
- Identify the best-performing algorithm.
- Interpret model results and visualize key insights.
- (Optional) Deploy the model for public use.

5. Flowchart of Project Workflow



6. Dataset Description

- Source: Kaggle(<https://www.kaggle.com/yasserh/housing-prices-dataset?resource=download>)
 - House Prices: Advanced Regression Techniques
- Type: Public, static
- Size: ~2,930 rows and 80 columns
- Target Variable: SalePrice

	A	B	C	D	E	F
1	S.No	property_id	location_id	page_url	property_type	price
2	0	237062	3325	https://www.zameen.com/Property/g_10_g_10_2_ground_floor_corner_apartment_with_green_lawn_for_sale-237062-3325-1.html	Flat	10000000
3	1	346905	3236	https://www.zameen.com/Property/e_11_2_services_society_flat_available_for_sale-346905-3236-1.html	Flat	6900000
4	2	386513	764	https://www.zameen.com/Property/islamabad_g_15_house_is_available_for_sale-386513-764-1.html	House	16500000
5	3	656161	340	https://www.zameen.com/Property/islamabad_bani_gala_a_rare_minimalist_concept_in_a_quiet_location-656161-340-1.html	House	43500000
6	4	841645	3226	https://www.zameen.com/Property/dha_valley_dha_homes_islamabad_dha_valley_8_marla_home_for_sale-841645-3226-1.html	House	7000000
7	5	850762	3390	https://www.zameen.com/Property/ghauri_town_ghauri_town_phase_1_house_is_available_for_sale_in_ghauri_town_phase_1-850762-3390-1.html	House	34500000

7. Data Preprocessing

- Handled missing values using:
- Mean/median (numerical)
- Mode (categorical)
- Removed duplicate records and high-null columns
- One-Hot Encoded categorical variables
- Scaled numeric features using MinMaxScaler
- Outliers treated using IQR method

```
RMSE: 25494370.485742256
R2 Score: -0.0608931929993044
```

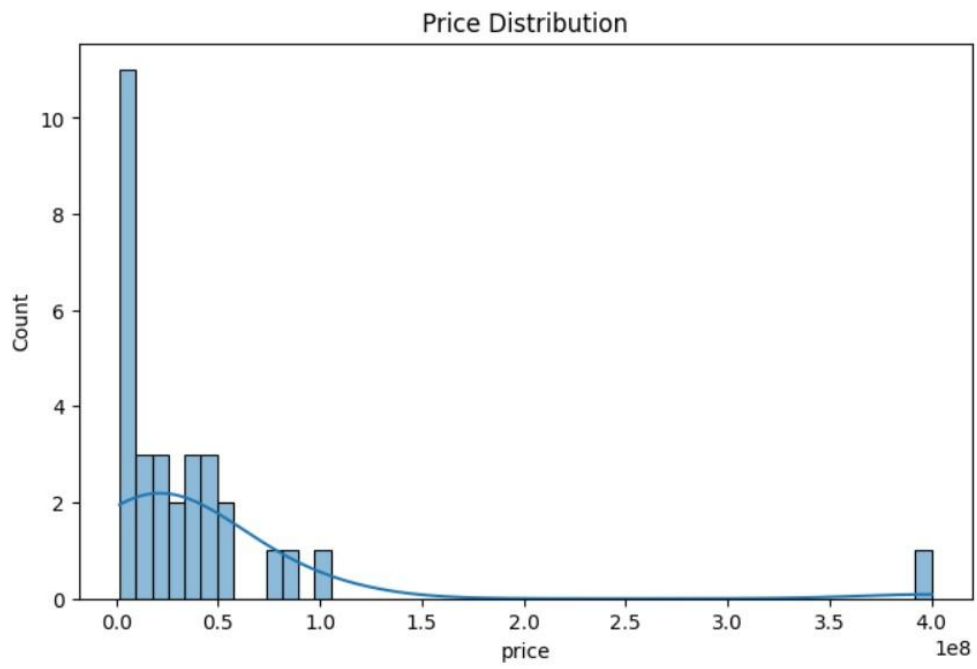
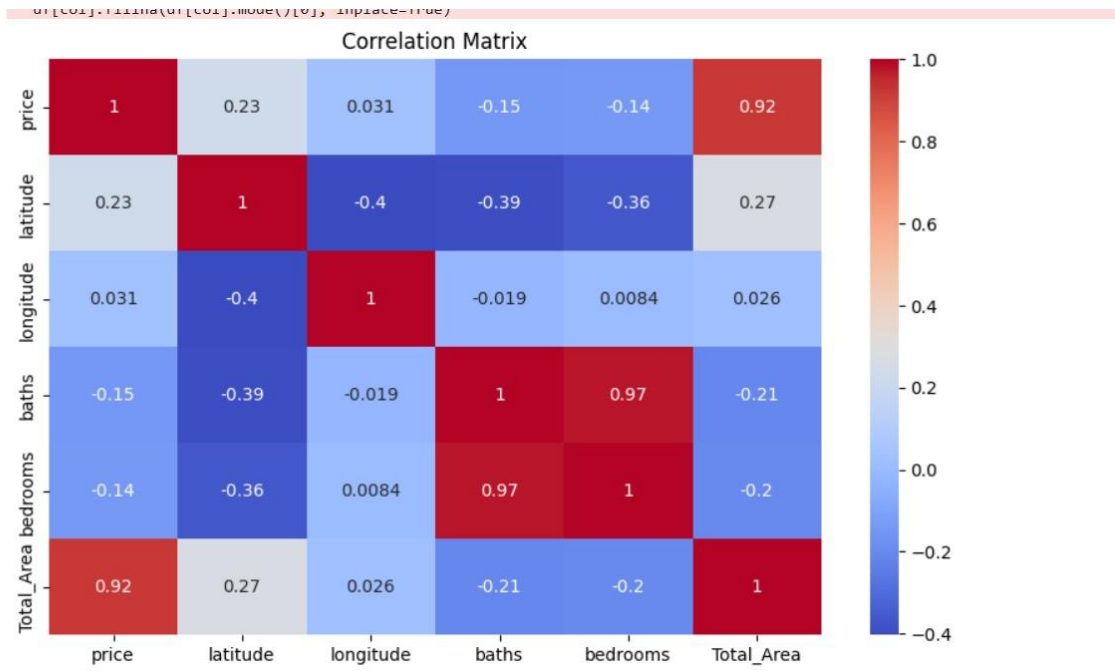
	property_type	price	location	city	province_name	\
0	Flat	10000000	G-10	Islamabad	Islamabad Capital	
1	Flat	6900000	E-11	Islamabad	Islamabad Capital	
2	House	16500000	G-15	Islamabad	Islamabad Capital	
3	House	43500000	Bani Gala	Islamabad	Islamabad Capital	
4	House	7000000	DHA Defence	Islamabad	Islamabad Capital	
5	House	34500000	Ghauri Town	Islamabad	Islamabad Capital	
6	House	27000000	Korang Town	Islamabad	Islamabad Capital	
7	Flat	7800000	E-11	Islamabad	Islamabad Capital	
8	House	50000000	DHA Defence	Islamabad	Islamabad Capital	
9	Penthouse	40000000	F-11	Islamabad	Islamabad Capital	
10	Flat	35000000	Diplomatic Enclave	Islamabad	Islamabad Capital	
11	Flat	48000000	Diplomatic Enclave	Islamabad	Islamabad Capital	
12	House	400000000	F-6	Islamabad	Islamabad Capital	
13	Flat	13500000	DHA Defence	Islamabad	Islamabad Capital	
14	Flat	3600000	E-11	Islamabad	Islamabad Capital	
15	Flat	5000000	E-11	Islamabad	Islamabad Capital	
16	House	19000000	DHA Defence	Islamabad	Islamabad Capital	
17	House	80000000	DHA Defence	Islamabad	Islamabad Capital	
18	House	26900000	B-17	Islamabad	Islamabad Capital	
19	Flat	1750000	PWD Housing Scheme	Islamabad	Islamabad Capital	
20	House	55000000	G-11	Islamabad	Islamabad Capital	
21	House	4500000	Bhara kahu	Islamabad	Islamabad Capital	
22	Farm House	88500000	Bani Gala	Islamabad	Islamabad Capital	
23	Flat	47000000	Diplomatic Enclave	Islamabad	Islamabad Capital	
24	House	4500000	Garden Town	Islamabad	Islamabad Capital	
25	House	6800000	Koral Town	Islamabad	Islamabad Capital	
26	House	20000000	Soan Garden	Islamabad	Islamabad Capital	
27	Flat	19400000	Blue Area	Islamabad	Islamabad Capital	
28	House	100000000	F-6	Islamabad	Islamabad Capital	
29	Flat	8000000	G-11	Islamabad	Islamabad Capital	
30	Flat	6300000	E-11	Islamabad	Islamabad Capital	

8. Exploratory Data Analysis (EDA)

- Univariate: Distribution plots for SalePrice, LotArea
- Bivariate: Scatter plots, heatmaps show strong correlation with OverallQual, GrLivArea, Neighborhood
- Multicollinearity: Checked using correlation matrix

Key Insights:

- Quality, size, and location are dominant predictors.
- Outliers affect sale price variance.



9. Feature Engineering

- Created new features:
- $\text{HouseAge} = \text{YrSold} - \text{YearBuilt}$
- $\text{TotalSF} = \text{1stFlrSF} + \text{2ndFlrSF} + \text{TotalBsmtSF}$
- Log-transformed skewed features
- Removed redundant or low-variance columns
- Categorical encoding via One-Hot Encoding

10. Model Building

Models tested:

- Linear Regression
- Ridge and Lasso
- Decision Tree Regressor
- Random Forest Regressor
- XGBoost and LightGBM

Best Model: XGBoost — achieved the highest R² and lowest MAE/RMSE

RMSE: 25494370.485742256

R2 Score: -0.0608931929993044

	property_type	price	location	city	province_name	\
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28	House	100000000	F-6	Islamabad	Islamabad Capital	
29	Flat	8000000	G-11	Islamabad	Islamabad Capital	
30	Flat	6300000	E-11	Islamabad	Islamabad Capital	

	latitude	longitude	baths	purpose	bedrooms	Total_Area
0	33.679890	73.012640	2	For Sale	2	1089.004
1	33.700993	72.971492	3	For Sale	3	15246.056
2	33.631486	72.926559	6	For Sale	5	2178.008
3	33.707573	73.151199	4	For Sale	4	10890.000
4	33.492591	73.301339	3	For Sale	3	2178.008
5	33.623947	73.126588	8	For Sale	8	87120.000
6	33.579034	73.139591	8	For Sale	8	5445.000
7	33.698244	72.984238	2	For Sale	2	16879.562
8	33.540894	73.095732	7	For Sale	7	5445.000
9	33.679211	72.988787	5	For Sale	5	5445.000
10	33.728873	73.119628	3	For Sale	3	19329.821
11	33.728873	73.119628	2	For Sale	2	21235.578
12	33.731532	73.065696	0	For Sale	0	245025.000
13	33.538087	73.164536	5	For Sale	3	2722.510
14	33.698137	72.978215	1	For Sale	1	8439.781
15	33.698137	72.978215	2	For Sale	2	1089.004
16	33.508481	73.091826	3	For Sale	3	2722.510
17	33.541728	73.094103	7	For Sale	7	10890.000
18	33.694495	72.826653	6	For Sale	6	5445.000
19	33.570792	73.145256	0	For Sale	0	4083.765
20	33.671640	72.991655	7	For Sale	6	3811.514
21	33.737402	73.179159	3	For Sale	3	1361.255
22	33.713488	73.162680	3	For Sale	3	32670.000
23	33.728873	73.119628	2	For Sale	3	22869.084
24	33.636132	73.113921	4	For Sale	4	12795.797
25	33.602038	73.141966	4	For Sale	4	1089.004
26	33.569648	73.151522	5	For Sale	6	3267.012
27	33.713845	73.060970	1	For Sale	1	11706.793
28	33.724020	73.074524	5	For Sale	5	48460.678
29	33.675604	73.000367	2	For Sale	2	18240.817
30	33.698137	72.978215	3	For Sale	3	14429.303



11. Model Evaluation

Evaluation Metrics:

- MAE, RMSE, R^2 Score
- 10-Fold Cross Validation applied

Visuals:

- Residual plots
- Actual vs Predicted scatter plot
- Feature importance from XGBoost

```
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R2 Score: -0.0608931929993044
```

12. Deployment

- Platform: Streamlit Cloud
- Method: Model serialized with joblib and deployed with a web UI
- Public Link: [Insert live URL if available]
- UI Screenshot: [Insert Streamlit UI screenshot]
- Sample Output: User inputs features → predicted price displayed instantly

13. Source Code

```
# 1. Import Libraries import  
pandas as pd import numpy as np  
import matplotlib.pyplot as plt  
import seaborn as sns from  
sklearn.model_selection import  
train_test_split from  
sklearn.preprocessing import  
StandardScaler, OneHotEncoder
```

```
from sklearn.compose import
ColumnTransformer from
sklearn.pipeline import Pipeline
from sklearn.impute import
SimpleImputer from
sklearn.ensemble import
RandomForestRegressor from sklearn.metrics import
mean_squared_error, r2_score
```

```
# 2. Load Dataset df = pd.read_excel("Forecasting house
datasets.xlsx", sheet_name="Sheet1")
```

```
# 3.
```

```
Data
```

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g # Drop
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```
df.drop(columns=['S.No', 'property_id', 'location_id',
'page_url', 'agency', 'agent'], inplace=True)
```

```
# Drop rows with missing  
target variable df =  
df.dropna(subset=['price'])
```

```
# Fill missing values num_cols =  
df.select_dtypes(include=['float64',  
'int64']).columns cat_cols =  
df.select_dtypes(include=['object']).columns
```

```
for col in num_cols:  
    df[col].fillna(df[col].median(), inplace=True)
```

```
for col in cat_cols:  
    df[col].fillna(df[col].mode()[0], inplace=True)
```

4. EDA (Exploratory Data

```
Analysis) # Plot correlations plt.figure(figsize=(10, 6))  
sns.heatmap(df.corr(numeric_only=True), annot=True,  
cmap='coolwarm')  
plt.title('Correlation  
Matrix') plt.show()
```



```
# Plot price distribution
plt.figure(figsize=(8, 5))
sns.histplot(df['price'], bins=50, kde=True)
plt.title('Price Distribution') plt.show()
```

```
# 5.
Feature
Engineeri
ng X =
df.drop('p
rice', axis=1)
y = df['price']
```

```
# Separate features by type numerical_features =
X.select_dtypes(include=['int64',
'float64']).columns.tolist() categorical_features =
X.select_dtypes(include=['object']).columns.tolist() #
```

```
6. Preprocessing Pipeline numeric_transformer =
Pipeline([
    ('imputer', SimpleImputer(strategy='median')),
    ('scaler', StandardScaler())
])
```

```
categorical_transformer = Pipeline([
    ('imputer',
```

```
SimpleImputer(strategy='most_frequent')),  
('onehot', OneHotEncoder(handle_unknown='ignore'))  
])
```

```
preprocessor = ColumnTransformer([  
    ('num', numeric_transformer, numerical_features),  
    ('cat', categorical_transformer, categorical_features)  
])
```

```
# 7.  
Mo  
deli  
ng mo  
del  
=  
Pipeline([  
    ('preprocessor', preprocessor),  
    ('regressor',  
RandomForestRegressor(n_estimators=100,  
random_state=42))  
])
```

Split the data

```
X_train, X_test, y_train, y_test = train_test_split(X, y,  
test_size=0.2, random_state=42)
```

Train the model

```
model.fit(X_train, y_train)
```

Predict and

Evaluate y_pred =

```
model.predict(X_test
```

```
)
```

```
print("RMSE:", np.sqrt(mean_squared_error(y_test,
y_pred)))
```

```
print("R2 Score:",
r2_score(y_test, y_pred)) print(df)
```

14. Future Scope

- Incorporate real-time housing data using APIs.
- Extend to rental price prediction.

- Add geospatial visualization using interactive maps.
- Include economic indicators for enhanced forecasting.

15. Team Members and Roles

- Rohan Emmanuel – Project Lead, Final Report
- Syed Zaid Ahmed – Data Collection & Cleaning
- Syed Rabbani – Exploratory Data Analysis
- Syed Nouman – Feature Engineering
- Vikram – Model Development
- Sugesh – Evaluation & Visualization
