```
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
import numpy as np
import os
from scipy import stats
from scipy.stats import norm
from sklearn.preprocessing import StandardScaler
from sklearn.preprocessing import MinMaxScaler
from sklearn.preprocessing import LabelEncoder
from sklearn.preprocessing import PolynomialFeatures
from sklearn.linear model import Ridge
from sklearn.impute import SimpleImputer
from sklearn.model selection import train test split
from sklearn.linear model import LinearRegression, ElasticNet,
ElasticNetCV
from sklearn.linear model import LogisticRegression
import sklearn.metrics as metrics
from sklearn import preprocessing
from numpy import array
from sklearn.model selection import KFold, cross val score
from sklearn.linear model import Lasso, LassoCV
from sklearn.metrics import mean squared error
from sklearn.tree import DecisionTreeRegressor
%matplotlib inline
sns.set()
df train = pd.read csv("train.csv")
df test = pd.read csv("test.csv")
print(df train.shape)
print("*"*50)
print(df test.shape)
(1460, 81)
******************
(1459, 80)
df train.head()
   Id MSSubClass MSZoning LotFrontage LotArea Street Alley LotShape
\
0
               60
                                   65.0
                                            8450
   1
                        RL
                                                   Pave
                                                          NaN
                                                                   Reg
   2
              20
                        RL
                                   80.0
                                            9600
1
                                                   Pave
                                                          NaN
                                                                   Reg
2
   3
                                                                   IR1
               60
                        RL
                                   68.0
                                           11250
                                                   Pave
                                                          NaN
3
              70
                                                                   IR1
   4
                        RL
                                   60.0
                                            9550
                                                   Pave
                                                          NaN
```

4	5		60	RL		84.0	14	4260	Pave	NaN	IR1
L: MoS		tour U	tilities		PoolA	rea P	oolQC	Fence	MiscFea	ature	MiscVal
0 2	ota (	Lvl	AllPub			0	NaN	NaN		NaN	Θ
1		Lvl	AllPub			0	NaN	NaN		NaN	0
5		Lvl	AllPub			0	NaN	NaN		NaN	0
9 3 2		Lvl	AllPub			0	NaN	NaN		NaN	0
4		Lvl	AllPub			0	NaN	NaN		NaN	0
12 Y 0 1 2 3 4	rSold 2008 2007 2008 2006 2008	SaleT	ype Salo WD WD WD WD WD	No No Abr	tion ormal ormal ormal ormal	2 1 2 1	Price 08500 81500 23500 40000 50000				
[5	rows x	81 co	lumns]								
df_	test.h	ead()									
Lot	Id   Shape	MSSubC	lass MSZ	oning	LotF	ronta	ge Lo	otArea	Street	Alley	
	1461	`	20	RH		80	. 0	11622	Pave	NaN	
	1462		20	RL		81	.0	14267	Pave	NaN	
2	1463		60	RL		74	. 0	13830	Pave	NaN	
	1464		60	RL		78	.0	9978	Pave	NaN	
IR1 4 IR1	1465		120	RL		43	. 0	5005	Pave	NaN	
	andCon <sup>.</sup> cFeatu		tilities		Scree	nPorc	h Poo	lArea F	PoolQC	Fence	
0		Lvl	AllPub			12	Θ	0	NaN	MnPrv	
NaN 1		Lvl	AllPub				0	0	NaN	NaN	
Gari		Lvl	AllPub				0	0	NaN	MnPrv	
NaN 3 NaN		Lvl	AllPub				0	0	NaN	NaN	

4 Na	aN	HLS	AllPub		144	0	NaN	NaN
0 1 2 3 4	MiscVal 0 12500 0 0	MoSold 6 6 3 6 1	YrSold 2010 2010 2010 2010 2010	SaleType WD WD WD WD WD		dition Normal Normal Normal Normal Normal		

[5 rows x 80 columns]

**EDA** 

df\_train.describe()

a c. a	deser ibe ( )			
0,0001100	Id	MSSubClass	LotFrontage	LotArea
	60.000000	1460.000000	1201.000000	1460.000000
1460.0000 mean 7		56.897260	70.049958	10516.828082
6.099315 std 4	21.610009	42.300571	24.284752	9981.264932
1.382997 min	1.000000	20.000000	21.000000	1300.000000
	65.750000	20.000000	59.000000	7553.500000
	30.500000	50.000000	69.000000	9478.500000
	95.250000	70.000000	80.000000	11601.500000
7.000000 max 14 10.000000	60.000000	190.000000	313.000000	215245.000000
	erallCond	YearBuilt	YearRemodAdd	MasVnrArea
	60.000000	1460.000000	1460.000000	1452.000000
1460.0000 mean	5.575342	1971.267808	1984.865753	103.685262
443.63972 std	1.112799	30.202904	20.645407	181.066207
456.09809 min	1.000000	1872.000000	1950.000000	0.000000
0.000000 25%	5.000000	1954.000000	1967.000000	0.000000
0.000000 50%	 5.000000	1973.000000	1994.000000	0.000000
383.50000 75%	0 6.000000	2000.000000	2004.000000	166.000000

712.250000 max 9.000000 5644.000000	2010.000000	2010.000000	1600.000000
WoodDeckSF	OpenPorchSF	EnclosedPorch	3SsnPorch
ScreenPorch \ count 1460.000000 1460.000000	1460.000000	1460.000000	1460.000000
mean 94.244521 15.060959	46.660274	21.954110	3.409589
std 125.338794 55.757415	66.256028	61.119149	29.317331
min 0.000000	0.000000	0.000000	0.000000
0.000000 25% 0.000000	0.000000	0.000000	0.000000
0.000000 50% 0.000000	25.000000	0.000000	0.000000
0.000000 75% 168.000000	68.000000	0.000000	0.000000
0.000000 max 857.000000 480.000000	547.000000	552.000000	508.000000
PoolArea	MiscVal	MoSold	YrSold
SalePrice count 1460.000000	1460.000000	1460.000000	1460.000000
1460.000000 mean 2.758904	43.489041	6.321918	2007.815753
180921.195890 std 40.177307	496.123024	2.703626	1.328095
79442.502883 min 0.000000	0.000000	1.000000	2006.000000
34900.000000 25% 0.000000	0.000000	5.000000	2007.000000
129975.000000 50% 0.000000	0.000000	6.000000	2008.000000
163000.000000 75% 0.000000	0.000000	8.000000	2009.000000
214000.000000 max 738.000000 755000.000000	15500.000000	12.000000	2010.000000
[8 rows x 38 column	ıs]		
<pre>df_test.describe()</pre>			
Id	MSSubClass	LotFrontage	LotArea
OverallQual \ count 1459.000000 1459.000000	1459.000000	1232.000000	1459.000000

57.378341	68.580357	9819.161069
42.746880	22.376841	4955.517327
20.000000	21.000000	1470.000000
20.000000	58.000000	7391.000000
50.000000	67.000000	9399.000000
70.000000	80.000000	11517.500000
190.000000	200.000000	56600.000000
YearBuilt	YearRemodAdd	MasVnrArea
1459.000000	1459.000000	1444.000000
1971.357779	1983.662783	100.709141
30.390071	21.130467	177.625900
1879.000000	1950.000000	0.000000
1953.000000	1963.000000	0.000000
1973.000000	1992.000000	0.000000
2001.000000	2004.000000	164.000000
2010.000000	2010.000000	1290.000000
WoodDeckSF	OpenPorchSF	EnclosedPorch
1459.000000	1459.000000	1459.000000
93.174777	48.313914	24.243317
127.744882	68.883364	67.227765
0.000000	0.000000	0.000000
0.000000	0.000000	0.000000
0.000000	28.000000	0.000000
168.000000	72.000000	0.000000
	42.746880 20.000000 20.000000 50.000000 70.000000 190.000000 1971.357779 30.390071 1879.000000 1953.000000 1973.000000 2001.000000 2010.000000 WoodDeckSF 1459.000000 93.174777 127.744882 0.000000 0.000000	42.74688022.37684120.00000021.00000020.00000058.00000050.00000067.00000070.00000080.000000190.000000200.000000YearBuiltYearRemodAdd1459.0000001459.0000001971.3577791983.66278330.39007121.1304671879.0000001950.0000001953.0000001963.0000001973.0000001992.0000002001.0000002004.0000002010.0000002010.000000WoodDeckSFOpenPorchSF1459.0000001459.00000093.17477748.313914127.74488268.8833640.0000000.0000000.0000000.0000000.0000000.000000

max 360.0	1488.000000 00000	1424.000000	742.000000	1012.000000
YrSol.	ScreenPorch	PoolArea	MiscVal	MoSold

YrSola				
count 1	459.000000	1459.000000	1459.000000	1459.000000
1459.000	000			
mean	17.064428	1.744345	58.167923	6.104181
2007.769	705			
std	56.609763	30.491646	630.806978	2.722432
1.301740				
min	0.000000	0.000000	0.00000	1.000000
2006.000	000			
25%	0.000000	0.000000	0.00000	4.000000
2007.000	000			
50%	0.000000	0.000000	0.00000	6.000000
2008.000	000			
75%	0.000000	0.000000	0.000000	8.000000
2009.000	000			
max	576.000000	800.000000	17000.000000	12.000000
2010.000	000			

## [8 rows x 37 columns]

# df\_train.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 1460 entries, 0 to 1459
Data columns (total 81 columns):

	001411115 (10141	0 = 00 tum	
#	Column	Non-Null Count	Dtype
0	Id	1460 non-null	int64
1	MSSubClass	1460 non-null	int64
2	MSZoning	1460 non-null	object
3	LotFrontage	1201 non-null	float64
4	LotArea	1460 non-null	int64
5	Street	1460 non-null	object
6	Alley	91 non-null	object
7	LotShape	1460 non-null	object
8	LandContour	1460 non-null	object
9	Utilities	1460 non-null	object
10	LotConfig	1460 non-null	object
11	LandSlope	1460 non-null	object
12	Neighborhood	1460 non-null	object
13	Condition1	1460 non-null	object
14	Condition2	1460 non-null	object
15	BldgType	1460 non-null	object
16	HouseStyle	1460 non-null	object
17	OverallQual	1460 non-null	int64
18	OverallCond	1460 non-null	int64

19	YearBuilt	1460	non-null	int64
20	YearRemodAdd	1460	non-null	int64
21	RoofStyle	1460	non-null	object
22	RoofMatl	1460	non-null	object
23	Exterior1st	1460	non-null	object
24	Exterior2nd	1460	non-null	object
				-
25	MasVnrType	1452	non-null	object
26	MasVnrArea	1452	non-null	float64
27	ExterQual	1460	non-null	object
28	ExterCond	1460	non-null	object
29	Foundation	1460	non-null	object
30	BsmtQual	1423	non-null	object
31	BsmtCond	1423	non-null	object
32	BsmtExposure	1422	non-null	object
33	BsmtFinType1	1423	non-null	object
34	BsmtFinSF1	1460	non-null	int64
35	BsmtFinType2	1422	non-null	object
36	BsmtFinSF2	1460	non-null	int64
37	BsmtUnfSF	1460	non-null	int64
38	TotalBsmtSF	1460	non-null	int64
39	Heating	1460	non-null	object
40	HeatingQC	1460	non-null	object
41	CentralAir	1460	non-null	object
42	Electrical	1459	non-null	object
43	1stFlrSF	1460	non-null	int64
44	2ndFlrSF	1460	non-null	int64
45	LowQualFinSF	1460	non-null	int64
46	GrLivArea	1460	non-null	int64
47	BsmtFullBath	1460	non-null	int64
48	BsmtHalfBath	1460	non-null	int64
49	FullBath	1460	non-null	int64
50	HalfBath	1460	non-null	int64
51	BedroomAbvGr	1460	non-null	int64
52	KitchenAbvGr	1460	non-null	int64
53	KitchenQual	1460	non-null	object
54	TotRmsAbvGrd	1460	non-null	int64
55	Functional	1460	non-null	object
56	Fireplaces	1460	non-null	int64
57	FireplaceQu	770 r	non-null	object
58	GarageType	1379	non-null	object
59	GarageYrBlt	1379	non-null	float64
60	GarageFinish	1379	non-null	object
61	GarageCars	1460	non-null	int64
62	GarageArea	1460	non-null	int64
63	GarageQual	1379	non-null	object
64	GarageCond	1379	non-null	object
65	PavedDrive	1460	non-null	object
66	WoodDeckSF	1460	non-null	int64
67	OpenPorchSF	1460	non-null	int64
68	EnclosedPorch	1460	non-null	int64
UO	LIIC COSEUFOI CII	1400	non-nuct	111104

```
69 3SsnPorch
                    1460 non-null
                                    int64
 70 ScreenPorch
                    1460 non-null
                                    int64
 71 PoolArea
                    1460 non-null
                                    int64
 72
    Pool0C
                    7 non-null
                                    object
 73 Fence
                    281 non-null
                                    object
 74 MiscFeature
                    54 non-null
                                    object
 75 MiscVal
                    1460 non-null
                                    int64
 76 MoSold
                    1460 non-null
                                    int64
 77
    YrSold
                    1460 non-null
                                    int64
                                    object
 78 SaleType
                    1460 non-null
 79
    SaleCondition 1460 non-null
                                    object
 80 SalePrice
                    1460 non-null
                                    int64
dtypes: float64(3), int64(35), object(43)
memory usage: 924.0+ KB
```

#### df test.info()

<class 'pandas.core.frame.DataFrame'> RangeIndex: 1459 entries, 0 to 1458 Data columns (total 80 columns):

#	Column	Non-Null Count	Dtype
0	Id	1459 non-null	int64
1	MSSubClass	1459 non-null	int64
2 3	MSZoning	1455 non-null	object
	LotFrontage	1232 non-null	float64
4	LotArea	1459 non-null	int64
5	Street	1459 non-null	object
6	Alley	107 non-null	object
7	LotShape	1459 non-null	object
8	LandContour	1459 non-null	object
9	Utilities	1457 non-null	object
10	LotConfig	1459 non-null	object
11	LandSlope	1459 non-null	object
12	Neighborhood	1459 non-null	object
13	Condition1	1459 non-null	object
14	Condition2	1459 non-null	object
15	BldgType	1459 non-null	object
16	HouseStyle	1459 non-null	object
17	OverallQual	1459 non-null	int64
18	OverallCond	1459 non-null	int64
19	YearBuilt	1459 non-null	int64
20	YearRemodAdd	1459 non-null	int64
21	RoofStyle	1459 non-null	object
22	RoofMatl	1459 non-null	object
23	Exterior1st	1458 non-null	object
24	Exterior2nd	1458 non-null	object
25	MasVnrType	1443 non-null	object
26	MasVnrArea	1444 non-null	float64
27	ExterQual	1459 non-null	object
28	ExterCond	1459 non-null	object

29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53	Foundation BsmtQual BsmtCond BsmtExposure BsmtFinType1 BsmtFinSF1 BsmtFinSF2 BsmtFinSF2 BsmtUnfSF TotalBsmtSF Heating HeatingQC CentralAir Electrical 1stFlrSF 2ndFlrSF 2ndFlrSF LowQualFinSF GrLivArea BsmtFullBath BsmtHalfBath FullBath HalfBath BedroomAbvGr KitchenAbvGr KitchenQual	1459 non-null 1415 non-null 1414 non-null 1415 non-null 1417 non-null 1458 non-null 1458 non-null 1458 non-null 1458 non-null 1459 non-null 1457 non-null 1457 non-null 1459 non-null 1459 non-null 1459 non-null 1459 non-null 1459 non-null	object object object object float64 object float64 float64 object object object int64 int64 int64 int64 int64 int64 int64 object
42 43 44	Electrical 1stFlrSF	1459 non-null 1459 non-null 1459 non-null	object int64
45	LowQualFinSF	1459 non-null	int64
46	GrLivArea	1459 non-null	int64
48	BsmtHalfBath	1457 non-null	float64
49	FullBath	1459 non-null	int64
51	BedroomAbvGr	1459 non-null	int64
52	KitchenAbvGr	1459 non-null	int64
54 55 56	TotRmsAbvGrd Functional	1459 non-null 1457 non-null 1459 non-null	int64 object int64
57	Fireplaces FireplaceQu GarageType	729 non-null	object
58		1383 non-null	object
59	GarageYrBlt	1381 non-null	float64
60	GarageFinish	1381 non-null	object
61	GarageCars	1458 non-null	float64
62	GarageArea	1458 non-null	float64
63	GarageQual	1381 non-null	object
64	GarageCond	1381 non-null	object
65	PavedDrive	1459 non-null	object
66	WoodDeckSF	1459 non-null	int64
67	OpenPorchSF	1459 non-null	int64
68	EnclosedPorch	1459 non-null	int64
69	3SsnPorch	1459 non-null	int64
70	ScreenPorch	1459 non-null	int64
71	PoolArea	1459 non-null	int64
72	PoolQC	3 non-null	object
73	Fence	290 non-null	object
74	MiscFeature	51 non-null	object
75	MiscVal	1459 non-null	int64
76	MoSold	1459 non-null	int64
77	YrSold	1459 non-null	int64
78	SaleType	1458 non-null	object

```
79 SaleCondition 1459 non-null object dtypes: float64(11), int64(26), object(43) memory usage: 912.0+ KB
```

```
df train['SalePrice'].describe()
```

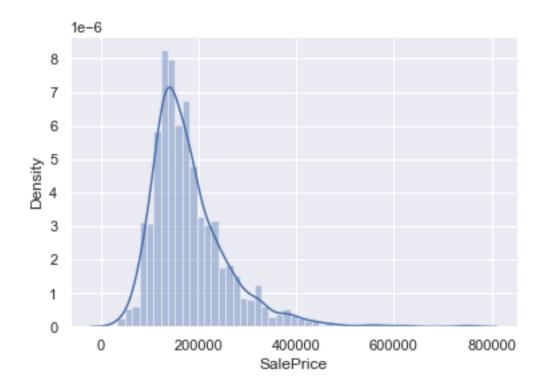
```
1460.000000
count
         180921.195890
mean
std
          79442.502883
min
          34900.000000
25%
         129975.000000
50%
         163000.000000
75%
         214000.000000
         755000.000000
max
```

Name: SalePrice, dtype: float64

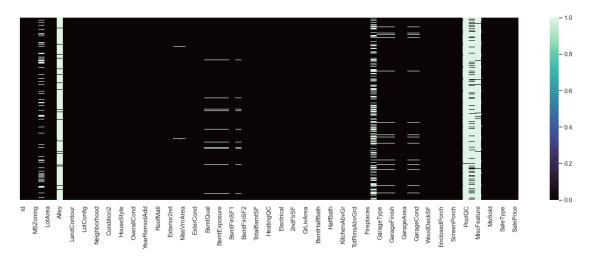
```
sns.distplot(df_train['SalePrice']);
print("Skewness: %f" % df_train['SalePrice'].skew())
print("Kurtosis: %f" % df train['SalePrice'].kurt())
```

C:\Users\16095\anaconda3\lib\site-packages\seaborn\
distributions.py:2557: FutureWarning: `distplot` is a deprecated function and will be removed in a future version. Please adapt your code to use either `displot` (a figure-level function with similar flexibility) or `histplot` (an axes-level function for histograms). warnings.warn(msg, FutureWarning)

Skewness: 1.882876 Kurtosis: 6.536282



```
plt.figure(figsize=(20,6))
sns.heatmap(df_train.isnull(),yticklabels=False,cbar=True,cmap='mako')
<AxesSubplot:>
```



```
total_null = df_train.isnull().sum().sort_values(ascending=False)
#First sum and order all null values for each variable
percentage =
  (df_train.isnull().sum()/df_train.isnull().count()).sort_values(ascend ing=False) #Get the percentage
missing_data = pd.concat([total_null, percentage], axis=1,
    keys=['Total', 'Percentage'])
missing_data.head(20)
```

```
Categorical
categ_vars_ls = ['PoolQC', 'MiscFeature', 'Alley', 'Fence',
                 'FireplaceQu', 'GarageType', 'GarageFinish',
'GarageQual',
                 'GarageCond', 'BsmtQual', 'BsmtCond', 'BsmtExposure',
                 'BsmtFinType1', 'BsmtFinType2', 'MasVnrType']
# Clean train set
for var in categ vars ls:
    df train[var].fillna('None', inplace=True)
# Clean test set
for var in categ vars ls:
    df test[var].fillna('None', inplace=True)
Numerical
num_vars_ls = ['GarageArea', 'GarageCars', 'BsmtFinSF1', 'BsmtFinSF2',
               'BsmtUnfSF', 'TotalBsmtSF', 'BsmtFullBath',
'BsmtHalfBath',
               'MasVnrArea']
# Clean train set
for var in num vars ls:
    df train[var].fillna(0, inplace=True)
# Clean test set
for var in num vars ls:
    df test[var].fillna(0, inplace=True)
vars ls1 = ['Functional', 'MSZoning', 'Electrical', 'KitchenQual',
'Exterior1st',
            'Exterior2nd', 'SaleType', 'Utilities'
imputer = SimpleImputer(strategy='most frequent')
# Clean train set
df train[vars ls1] =
pd.DataFrame(imputer.fit transform(df train[vars ls1]),
index=df train.index)
# Clean test set
df test[vars ls1] =
pd.DataFrame(imputer.fit transform(df test[vars ls1]),
index=df test.index)
```

```
train average house neighb = df train.groupby('Neighborhood')
['LotFrontage']
test average house neighb = df test.groupby('Neighborhood')
['LotFrontage']
# Clean train set
df train['LotFrontage'].fillna(train average house neighb.transform(la
mbda x: x.fillna(x.mean())), inplace=True)
# Clean test set
df test['LotFrontage'].fillna(test average house neighb.transform(lamb)
da x: x.fillna(x.mean())), inplace=True)
# Clean train set
df train['GarageYrBlt'] =
df train['GarageYrBlt'].fillna(df train['YearBuilt'])
# Clean test set
df test['GarageYrBlt'] =
df test['GarageYrBlt'].fillna(df test['YearBuilt'])
## NA Check: Verify that we covered all 'NAs' in our data
print(f'Number of NAs in train df: {sum(df train.isnull().sum())}')
print(f'Number of NAs in test df: {sum(df test.isnull().sum())}')
Number of NAs in train df: 0
Number of NAs in test df: 0
plt.figure(figsize=(20,6))
sns.heatmap(df train.isnull(),yticklabels=False,cbar=True,cmap='mako')
<AxesSubplot:>
                                                                                                                                                                                         - 0.075
       MSZoning
Ludvere
Alley
Ludvere
Alley
Alley
Ludonfig
Ludonfig
Ludonfig
Condition2
Condition2
CoverallConve
Reservindres
Exterior2n
Reservindres
Exterior3
E
```

### Investigate potential features & outliers

Below, We can see a few of the highest correlating predictors of SalePrice. Based on these features, it is obvious that usable square footage cumulatively amounts to the highest correlation to SalePrice (GrLivArea, TotalBsmtSF, 1stFlrSF, GarageArea). Other discrete and categorical variables (OverallQual, GarageCars, FullBath, TotRmsAdvGrd) influence the dependent variable as well.

```
corr mat = df train.corr().SalePrice.sort values(ascending=False)
corr mat.head(10)
SalePrice
                1.000000
OverallOual
                0.790982
GrLivArea
                0.708624
GarageCars
                0.640409
                0.623431
GarageArea
TotalBsmtSF
                0.613581
1stFlrSF
                0.605852
FullBath
                0.560664
TotRmsAbvGrd
                0.533723
YearBuilt
                0.522897
Name: SalePrice, dtype: float64
```

Below we can see the distribution of a few of these variables and assess how outliers may impact the data.

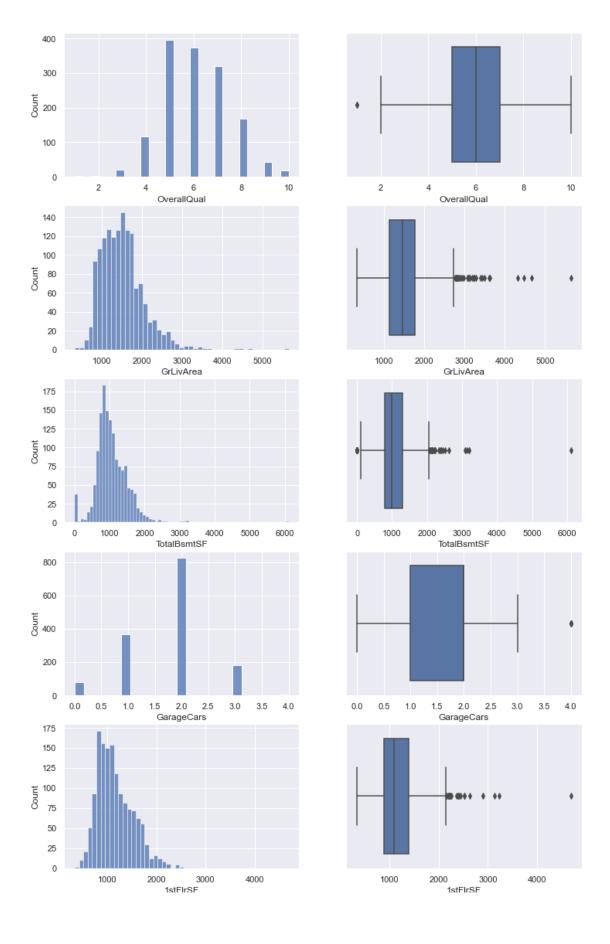
```
cor_features = ['OverallQual', 'GrLivArea', 'TotalBsmtSF',
'GarageCars', '1stFlrSF', 'YearBuilt' ]

n = len(cor_features)

fig = plt.figure(figsize=(6*2, 4*n))
# add 2 graph for each column variable
gs = fig.add_gridspec(n, 2)
ax = [[fig.add_subplot(gs[i, j]) for j in range(2)] for i in range(n)]

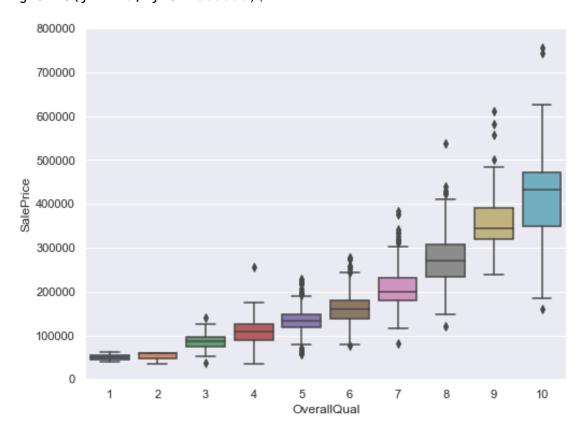
for i in range(n):
    sns.histplot(x=cor_features[i], data=df_train, ax=ax[i][0])
    sns.boxplot(x=cor_features[i], data=df_train, ax=ax[i][1])

plt.show()
```



```
# OverallQual and SalePrice
data = pd.concat([df_train['SalePrice'], df_train['OverallQual']],
axis=1)
```

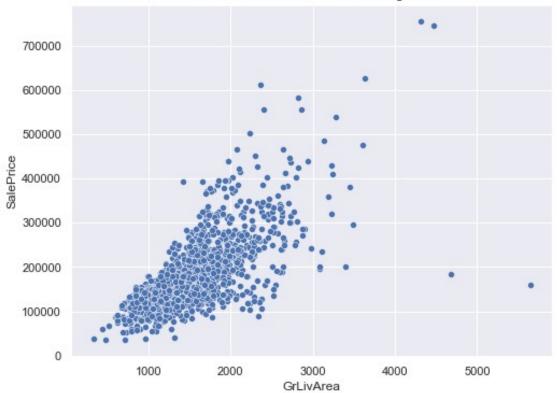
f, ax = plt.subplots(figsize=(8, 6))
fig = sns.boxplot(x='0verallQual', y="SalePrice", data=data)
fig.axis(ymin=0, ymax=800000);



#### # GrLivArea and SalesPrice

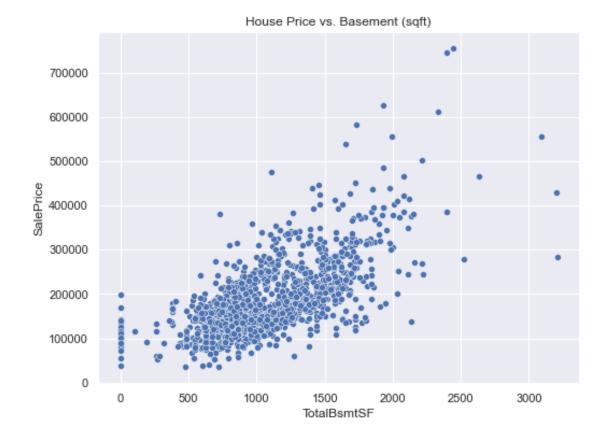
```
sns.set_style('darkgrid')
plt.figure(figsize=(8, 6))
sns.scatterplot(x='GrLivArea', y='SalePrice', data=df_train)
title = plt.title('House Price vs. Above Ground Living Area')
```





The scatter plot above reveals a few outliers where a larger living area is recorded with a low sale price. These outliers can be removed to ensure they do not influence future models.

```
# Clean df_train (GrLiveArea)
outlier = df_train[(df_train.GrLivArea > 4000) & (df_train.SalePrice <
200000)].index
df_train.drop(outlier, axis=0, inplace=True)
# TotalBsmtSF and SalesPrice
sns.set_style('darkgrid')
plt.figure(figsize=(8, 6))
sns.scatterplot(x='TotalBsmtSF', y='SalePrice', data=df_train)
title = plt.title('House Price vs. Basement (sqft)')</pre>
```



```
# 1stFlrSF and SalesPrice
sns.set_style('darkgrid')
plt.figure(figsize=(8, 6))
sns.scatterplot(x='1stFlrSF', y='SalePrice', data=df_train)
title = plt.title('House Price vs. First Floor (sqft)')
```



#### **Feature Creation**

Feature creation is likely to be a useful approach to finding more potent predictors in this data set. Based on the list of high correlating variables, it is apparent that features representing usable square feet are strong predictors and can be merged to create a stronger predictive feature. Additionally, the current dataframe seems to categorically discriminate based on above or below ground features. Combining some of high correlation variable, both above and below ground, may yield an overall stronger predictor. Finally, YearBuilt showed up a on the bottom of the correlation list with a comparatively low correlation. However, it remains an interesting feature to explore given some obvious and real world implications. Ideally, it would be nice to see in depth how larger renovations might impact the value of older homes. However, the data makes it difficult to define what renovation may have occurred.

Potentially interesting new predictors include:

- -Total Square Feet of living Space (Below and Above ground)
- -Total Number of Bathrooms (Below and Above Ground)
- -Age of House when sold

```
# Total Square Feet Column
df_train['TotalSqft'] = df_train['TotalBsmtSF'] + df_train['1stFlrSF']
```

```
+ df train['2ndFlrSF']
df test['TotalSqft'] = df test['TotalBsmtSF'] + df test['1stFlrSF'] +
df test['2ndFlrSF']
# Total Bathrooms Column
df train['TotalBath'] = df train['FullBath'] +
df train['BsmtFullBath'] + 0.5*(df train['HalfBath'] +
df train['BsmtHalfBath'])
df test['TotalBath'] = df test['FullBath'] + df test['BsmtFullBath'] +
0.5*(df test['HalfBath'] + df_test['BsmtHalfBath'])
# Age of House
df train['HouseAge'] = df train['YrSold'] - df train['YearBuilt']
df test['HouseAge'] = df test['YrSold'] - df test['YearBuilt']
# Check for new columns
df_train.head()
   Id MSSubClass MSZoning LotFrontage LotArea Street Alley LotShape
0
    1
                        RL
                                    65.0
                                             8450
               60
                                                     Pave
                                                           None
                                                                     Reg
               20
                                    80.0
1
    2
                        RL
                                             9600
                                                     Pave None
                                                                     Reg
                                    68.0
2
    3
               60
                        RL
                                            11250
                                                     Pave None
                                                                     IR1
3
    4
               70
                        RL
                                    60.0
                                             9550
                                                                     IR1
                                                     Pave
                                                          None
4
    5
               60
                        RL
                                    84.0
                                            14260
                                                     Pave None
                                                                     IR1
  LandContour Utilities ... MiscFeature MiscVal MoSold YrSold
SaleType
          Lvl
                                                        2
                 AllPub
                                     None
                                                0
                                                            2008
                          . . .
WD
                 AllPub
          Lvl
                                     None
                                                0
                                                        5
                                                            2007
1
                         . . .
WD
2
          Lvl
                 AllPub
                                                        9
                                     None
                                                0
                                                            2008
WD
3
          Lvl
                 AllPub
                                     None
                                                        2
                                                            2006
                                                0
                          . . .
WD
4
          Lvl
                 AllPub ...
                                     None
                                                0
                                                       12
                                                            2008
WD
                           TotalSqft TotalBath HouseAge
  SaleCondition SalePrice
0
         Normal
                   208500
                                 2566
                                             3.5
         Normal
                   181500
                                 2524
                                             2.5
                                                         31
1
```

```
2
                                  2706
         Normal
                    223500
                                               3.5
                                                           7
3
        Abnorml
                    140000
                                  2473
                                               2.0
                                                          91
         Normal
                                               3.5
                    250000
                                  3343
                                                           8
```

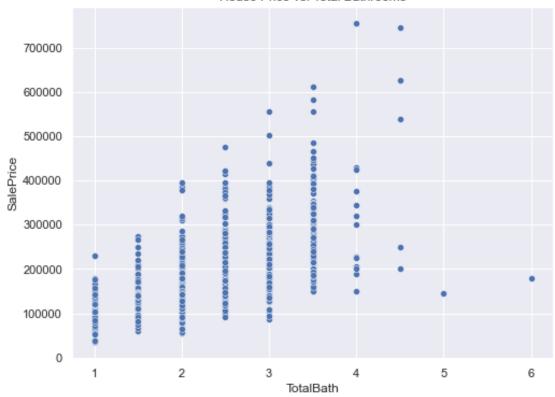
### [5 rows x 84 columns]

```
# TotalSqft and SalesPrice
sns.set_style('darkgrid')
plt.figure(figsize=(8, 6))
sns.scatterplot(x='TotalSqft', y='SalePrice', data=df_train)
title = plt.title('House Price vs. Total Living Space')
```



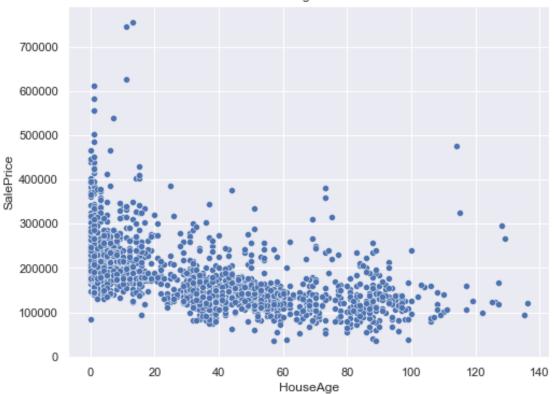
```
# TotalBath and SalesPrice
sns.set_style('darkgrid')
plt.figure(figsize=(8, 6))
sns.scatterplot(x='TotalBath', y='SalePrice', data=df_train)
title = plt.title('House Price vs. Total Bathrooms')
```

#### House Price vs. Total Bathrooms



```
# HouseAge and SalesPrice
sns.set_style('darkgrid')
plt.figure(figsize=(8, 6))
sns.scatterplot(x='HouseAge', y='SalePrice', data=df_train)
title = plt.title('House Price vs. Age of House at Sale')
```





corr\_mat2 = df\_train.corr().SalePrice.sort\_values(ascending=False)
corr mat2.head(10)

```
SalePrice
               1.000000
TotalSqft
               0.832877
OverallQual
               0.795774
GrLivArea
               0.734968
TotalBsmtSF
               0.651153
               0.641047
GarageCars
TotalBath
               0.635896
1stFlrSF
               0.631530
GarageArea
               0.629217
FullBath
               0.562165
```

Name: SalePrice, dtype: float64

# **Skewness Check (train)**

```
numerics = ['int16', 'int32', 'int64', 'float16', 'float32',
'float64']

dataset_numeric = df_train.select_dtypes(include=numerics)

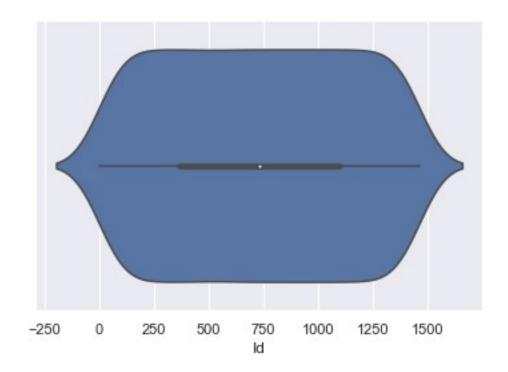
dataset_numeric.shape
(1458, 41)
```

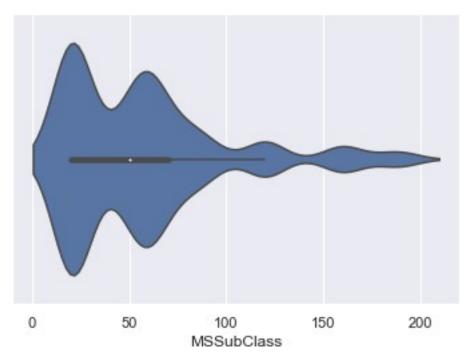
### dataset\_numeric.skew()

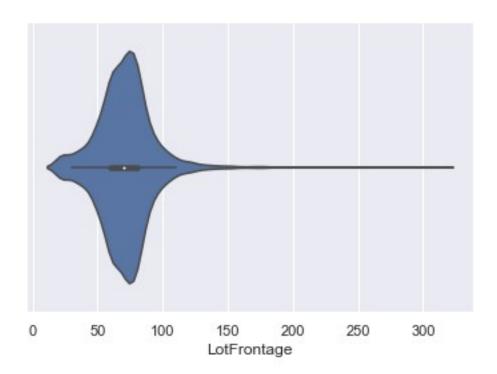
```
Id
                   0.000165
MSSubClass
                   1.407011
LotFrontage
                   1.494021
                  12.573925
LotArea
OverallOual
                   0.200786
OverallCond
                   0.691035
YearBuilt
                  -0.612295
YearRemodAdd
                  -0.501838
MasVnrArea
                   2.696329
BsmtFinSF1
                   0.764789
BsmtFinSF2
                   4.251925
BsmtUnfSF
                   0.920903
TotalBsmtSF
                   0.511703
1stFlrSF
                   0.887637
2ndFlrSF
                   0.812957
LowOualFinSF
                   9.004955
GrLivArea
                   1.010992
BsmtFullBath
                   0.590358
BsmtHalfBath
                   4.100114
FullBath
                   0.031271
HalfBath
                   0.680051
BedroomAbvGr
                   0.212325
KitchenAbvGr
                   4.484883
TotRmsAbvGrd
                   0.660502
Fireplaces
                   0.632060
GarageYrBlt
                  -0.693237
GarageCars
                  -0.342377
GarageArea
                   0.131748
WoodDeckSF
                   1.545805
OpenPorchSF
                   2.339829
EnclosedPorch
                   3.087164
3SsnPorch
                  10.297106
ScreenPorch
                   4.118929
PoolArea
                  15.948945
MiscVal
                  24.460085
MoSold
                   0.215432
YrSold
                   0.095420
SalePrice
                   1.881296
TotalSqft
                   0.804321
TotalBath
                   0.246687
HouseAge
                   0.607894
dtype: float64
cols = dataset_numeric.columns
for c in cols:
```

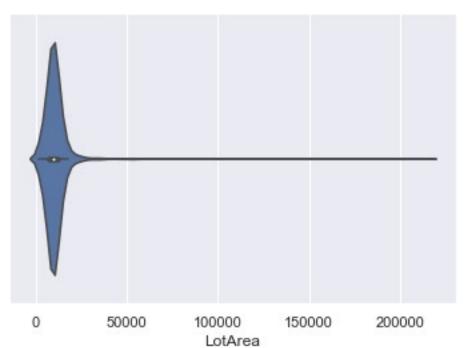
sns.violinplot(x=dataset numeric[c])

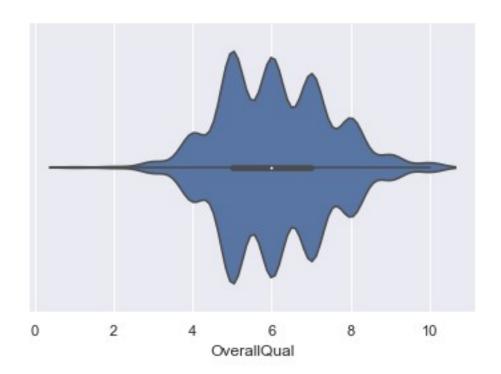
plt.xlabel(c)
plt.show()

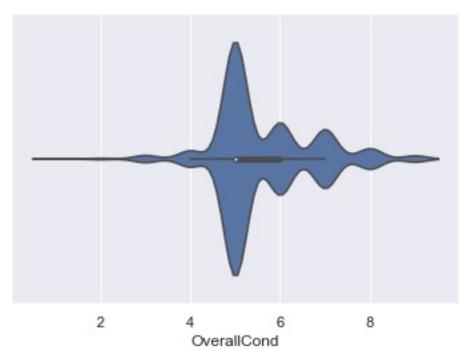


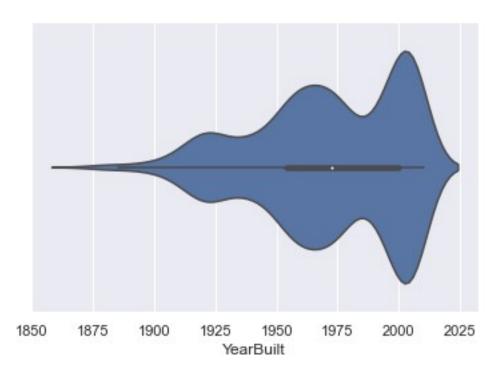


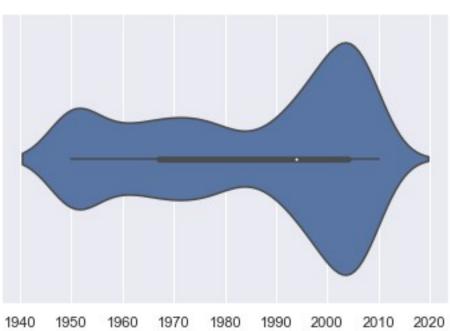




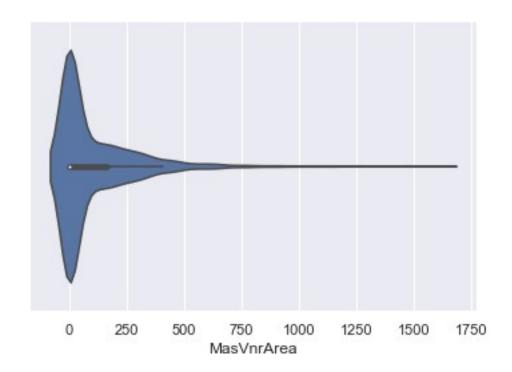


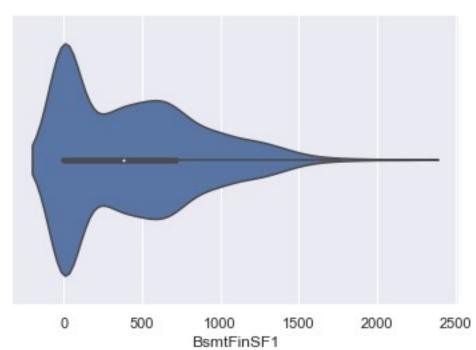


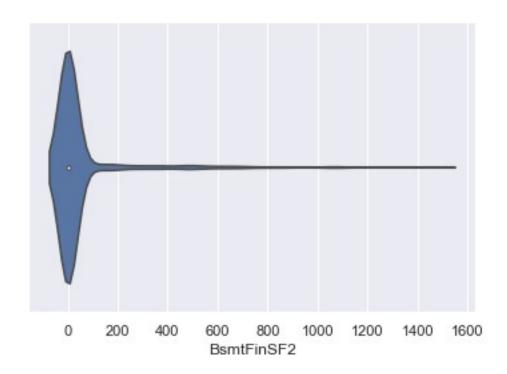


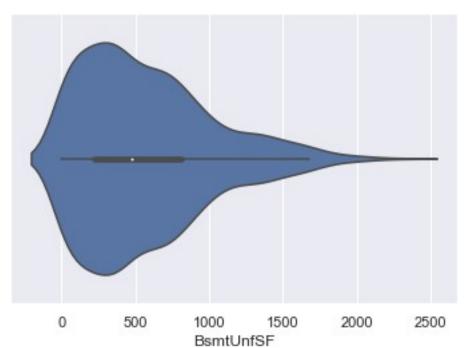


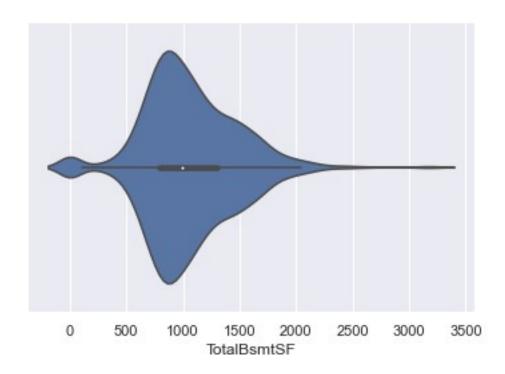
YearRemodAdd

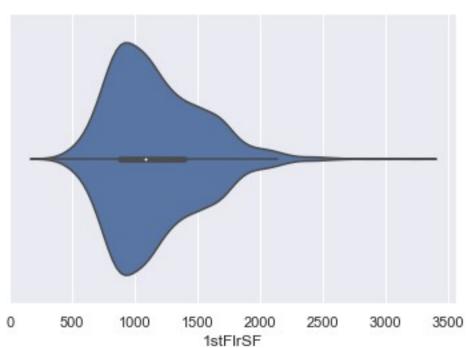


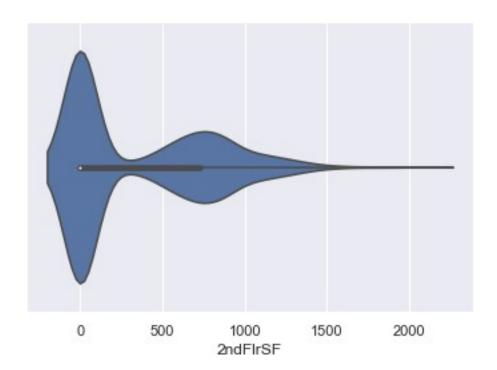


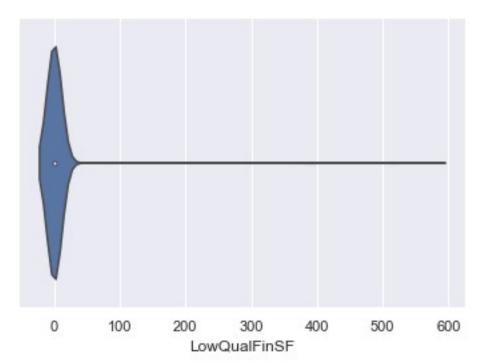


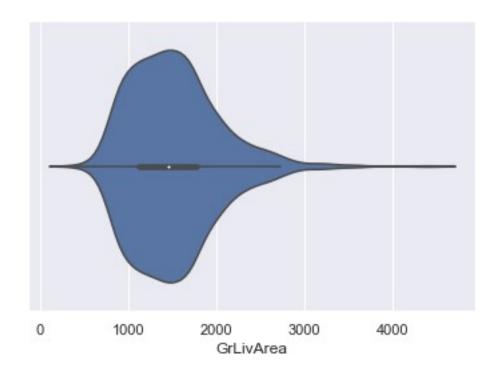


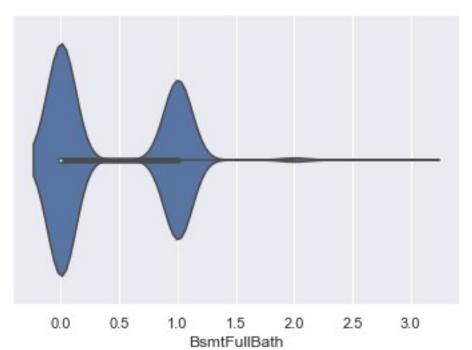


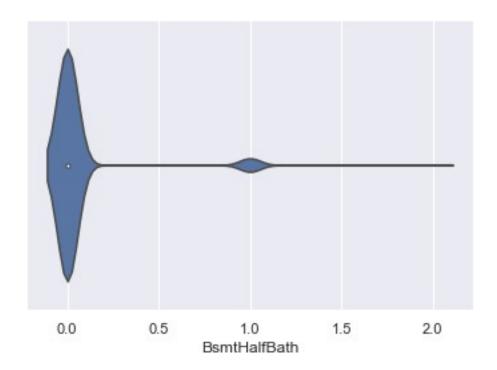


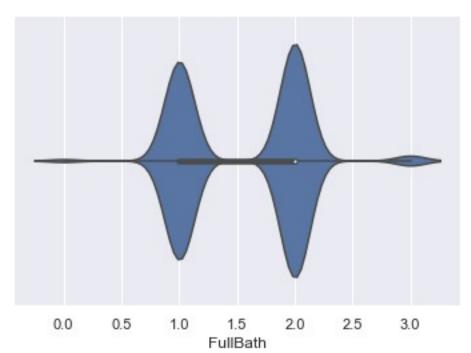


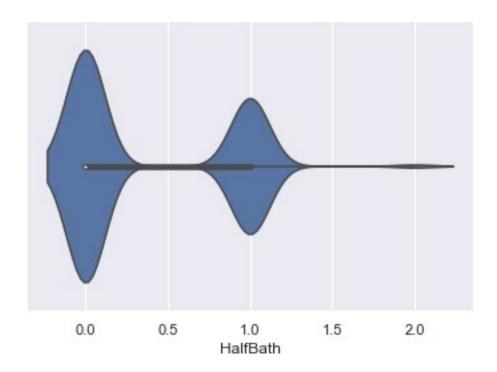


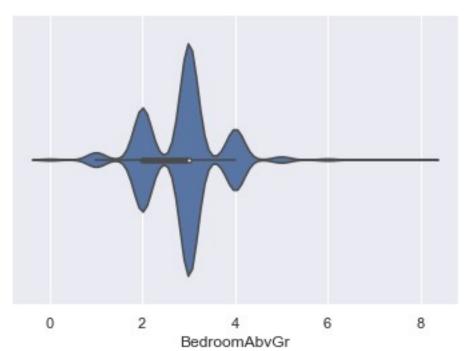


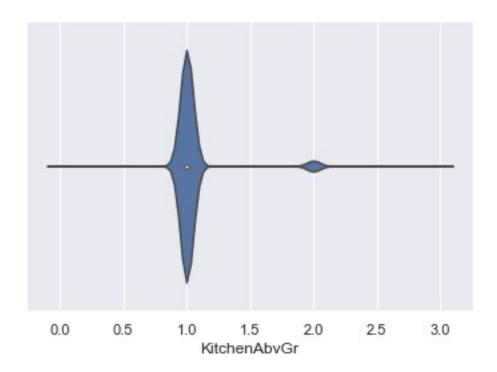


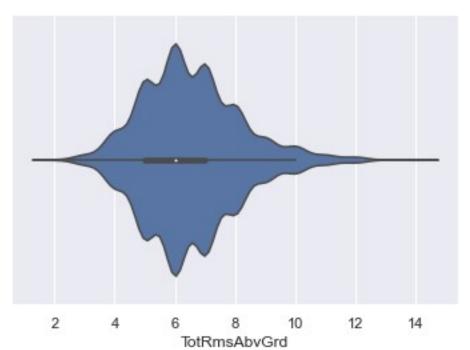


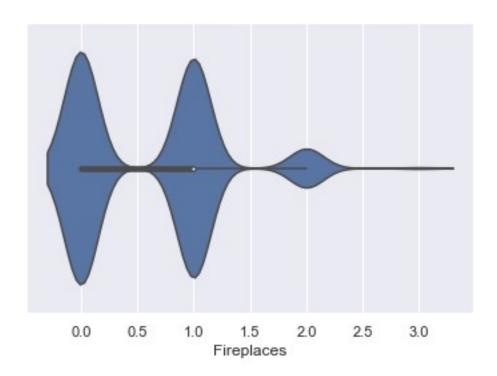


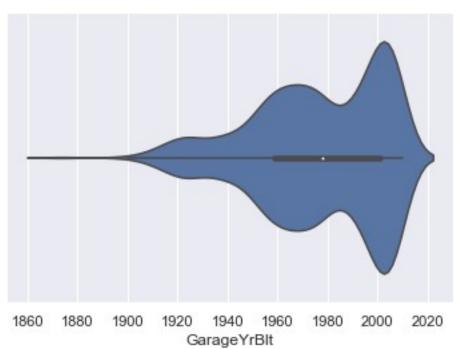


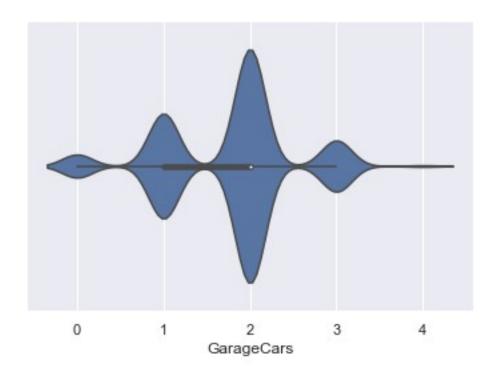


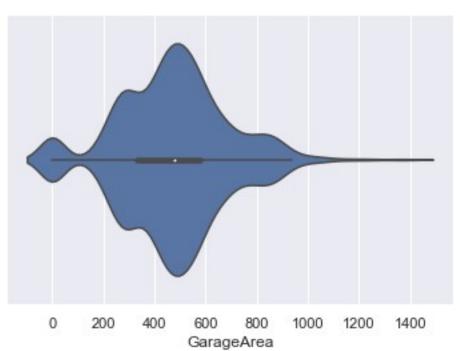


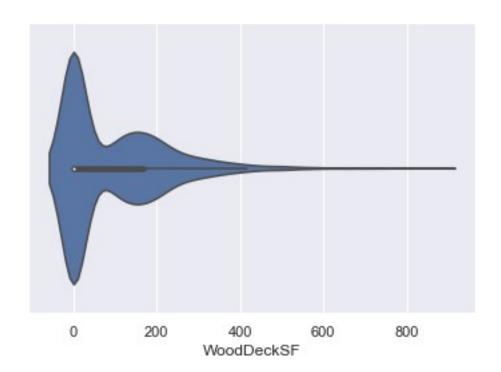


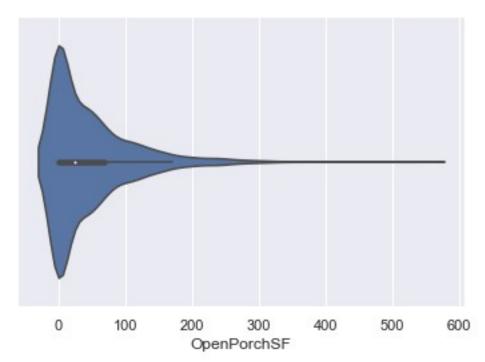


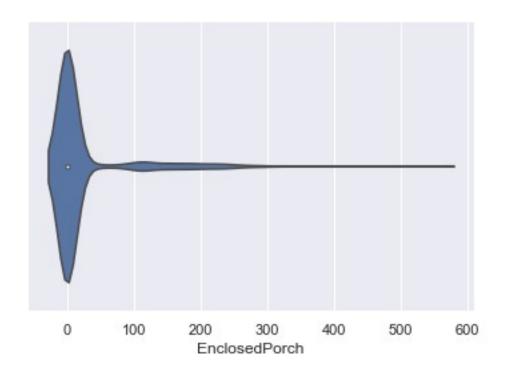


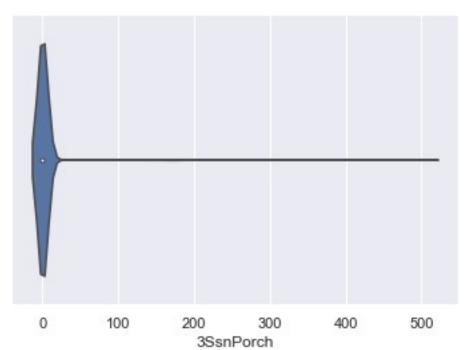


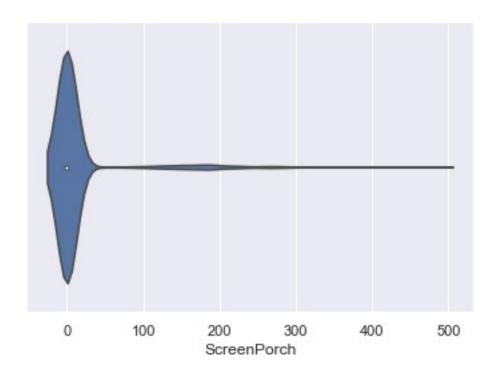


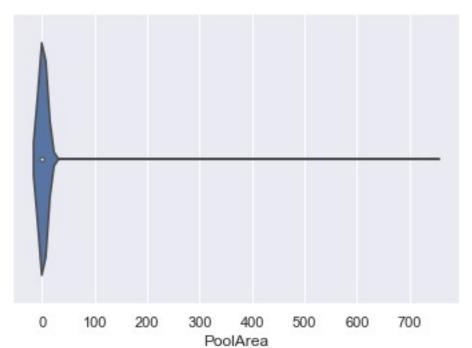


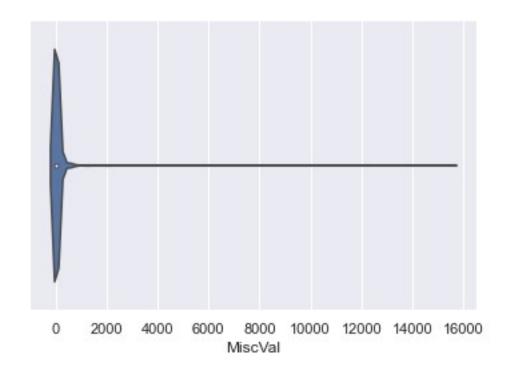


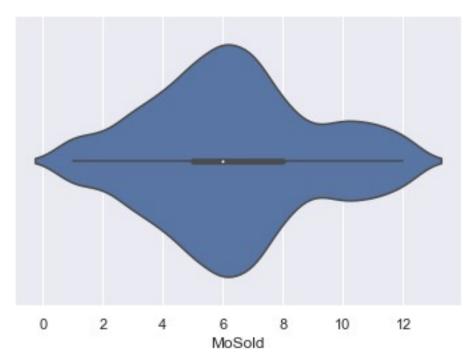


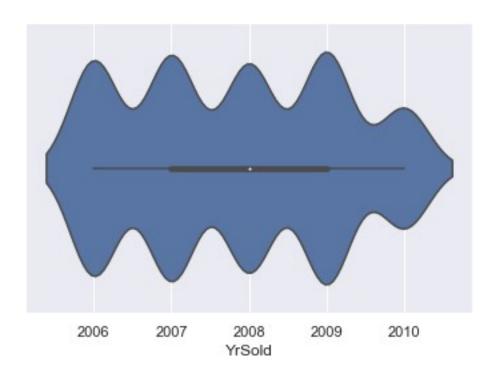


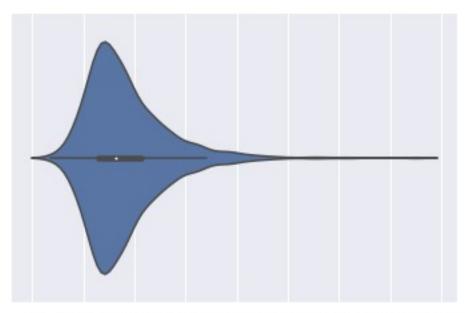




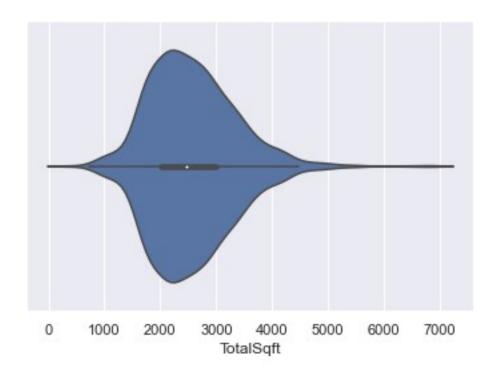


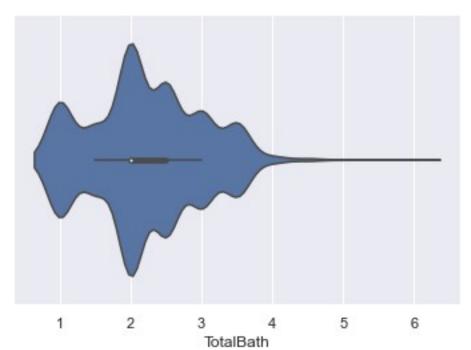


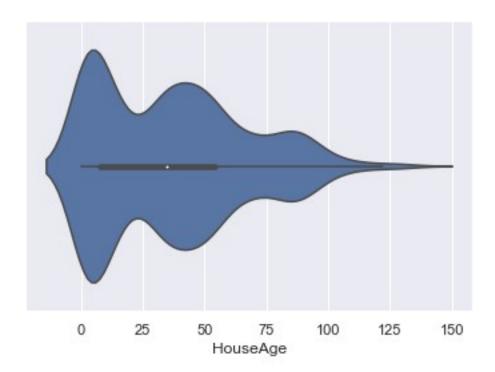




0 100000 200000 300000 400000 500000 600000 700000 800000 SalePrice







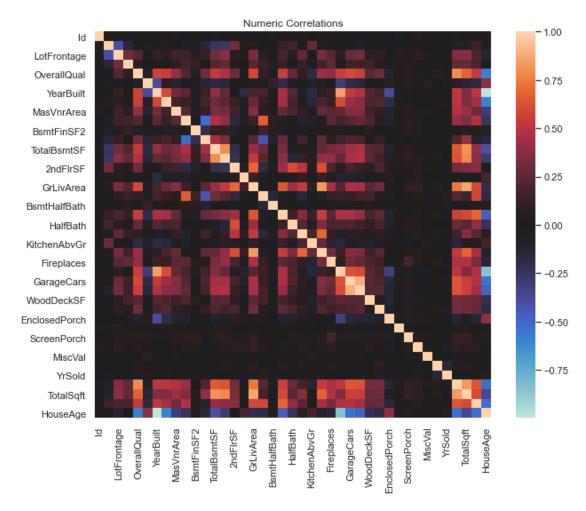
The violin plots above reveal several negative (left-sided) skews. Normalization of these distributions can benefit the model.

```
# Skew Correction
\#log1p function applies log(1+x) to all elements of the column
skew = df train.select dtypes(include=numerics).skew()
# disabling the pandas warning
pd.options.mode.chained_assignment = None
skewedfeatures = [s \text{ for } s \text{ in } skew \text{ if } (s > 5.0)]
skewedfeatures
for skf in skewedfeatures:
  sk = skew[skew == skf].index[0]
  df_train[sk] = np.log1p(df_train[sk])
# Skew Correction for test set
\#log1p function applies log(1+x) to all elements of the column
skew = df test.select dtypes(include=numerics).skew()
# disabling the pandas warning
pd.options.mode.chained assignment = None
skewedfeatures = [s for s in skew if(s > 5.0)]
skewedfeatures
for skf in skewedfeatures:
```

```
sk = skew[skew == skf].index[0]
df_test[sk] = np.log1p(df_test[sk])
```

# **Prep (Numeric Variables)**

```
plt.figure(figsize=(10,8))
sns.heatmap(dataset_numeric.corr(), center = 0)
plt.title("Numeric Correlations")
plt.show()
```



# Calculates pearson co-efficient for all combinations
data\_corr = dataset\_numeric.corr()

# Set the threshold to select only highly correlated attributes threshold = 0.5

# List of pairs along with correlation above threshold
corr\_list = []

size = 36

```
#Search for the highly correlated pairs
for i in range(0,size): #for 'size' features
    for j in range(i+1, size): #avoid repetition
        if (data corr.iloc[i,j] >= threshold and data corr.iloc[i,j] <</pre>
1) or (data corr.iloc[i,j] < 0 and data corr.iloc[i,j] <= -threshold):</pre>
            corr list.append([data corr.iloc[i,j],i,j]) #store
correlation and columns index
#Sort to show higher ones first
s corr list = sorted(corr list, key=lambda x: -abs(x[\theta]))
#Print correlations and column names
for v,i,j in s corr list:
    print ("%s and %s = %.2f" % (cols[i],cols[i],v))
GarageCars and GarageArea = 0.89
YearBuilt and GarageYrBlt = 0.84
GrLivArea and TotRmsAbvGrd = 0.83
TotalBsmtSF and 1stFlrSF = 0.80
2ndFlrSF and GrLivArea = 0.69
BedroomAbvGr and TotRmsAbvGrd = 0.68
BsmtFinSF1 and BsmtFullBath = 0.66
GrLivArea and FullBath = 0.64
GarageYrBlt and GarageCars = 0.62
2ndFlrSF and TotRmsAbvGrd = 0.61
2ndFlrSF and HalfBath = 0.61
YearRemodAdd and GarageYrBlt = 0.60
GarageYrBlt and GarageArea = 0.60
OverallQual and GarageCars = 0.60
YearBuilt and YearRemodAdd = 0.59
OverallQual and GrLivArea = 0.59
OverallQual and YearBuilt = 0.57
OverallOual and GarageArea = 0.56
OverallQual and GarageYrBlt = 0.55
FullBath and TotRmsAbvGrd = 0.55
OverallQual and YearRemodAdd = 0.55
OverallQual and FullBath = 0.55
OverallOual and TotalBsmtSF = 0.54
GrLivArea and BedroomAbvGr = 0.54
YearBuilt and GarageCars = 0.54
1stFlrSF and GrLivArea = 0.53
BsmtFinSF1 and BsmtUnfSF = -0.52
2ndFlrSF and BedroomAbvGr = 0.50
Prep (Categorical Variables)
```

dum\_vars = ['Neighborhood', 'MSZoning', 'MSSubClass', 'Street',

'LotShape', 'LotConfig','Utilities', 'LandSlope',
'BldgType', 'HouseStyle', 'RoofStyle', 'Foundation',

```
'Heating', 'CentralAir', 'PavedDrive', 'MoSold',
            'YrSold', 'SaleType', 'SaleCondition']
for col in dum vars:
  print(col)
  train = sorted(df train[col].unique().tolist())
  test = sorted(df test[col].unique().tolist())
  total = set(train + test)
  df train[col] = pd.Categorical(df train[col], categories=total)
  df test[col] = pd.Categorical(df test[col], categories=total)
Neighborhood
MSZoning
MSSubClass
Street
LotShape
LotConfia
Utilities
LandSlope
BldgType
HouseStyle
RoofStyle
Foundation
Heating
CentralAir
PavedDrive
MoSold
YrSold
SaleType
SaleCondition
```

## **Models**

### **Lasso Regression**

"Least Absolute Shrinkage and Selection Operator" Using Lasso linear regression we will "shrink" values towards the mean to simplify the model. This form of regression will hopefully help reduce the impact of noise on our model.

```
# Feature(s) to look at
f1 = ['MSSubClass', 'LotFrontage', 'LotArea',
    'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemodAdd',
    'MasVnrArea', 'BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF',
    'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath',
    'FullBath', 'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr',
    'TotRmsAbvGrd', 'Fireplaces', 'GarageArea', 'WoodDeckSF',
    'OpenPorchSF', 'EnclosedPorch', '3SsnPorch', 'ScreenPorch',
    'PoolArea', 'MiscVal', 'MoSold', 'YrSold',
    'TotalSqft', 'TotalBath', 'HouseAge']
```

```
# Run a Linear Regression using the feature(s)
x1 = df_train[f1]
y = df train['SalePrice']
# Split the data
x_train, x_test, y_train, y_test = train_test_split(x1, y)
x train.shape, x test.shape, y train.shape, y test.shape
((1093, 34), (365, 34), (1093,), (365,))
# Set up model
lasso = LassoCV(n alphas=200, alphas=np.logspace(0, 4, 100), max iter
= 11000)
kf = KFold(n splits=7, shuffle=True)
# Standardize the data
ss = StandardScaler()
ss_train = ss.fit_transform(x_train)
ss test = ss.transform(x test)
# cross validate
scores = cross val score(lasso, ss train, y train, cv=kf)
print(scores)
print(f'Mean Score: {scores.mean()}; SD: {scores.std()}')
lasso.fit(ss train, y train)
print(f'TRAIN Score: {lasso.score(ss train, y train)}')
print(f'TEST Score: {lasso.score(ss test, y test)}')
pred = lasso.predict(ss test)
b, m = np.polynomial.polynomial.polyfit(y test, pred, 1)
[0.86678082 0.87698432 0.83635709 0.82759973 0.8937877 0.88209416
0.795248371
Mean Score: 0.8541217392587718; SD: 0.03278472706223093
TRAIN Score: 0.864825923973606
TEST Score: 0.8617164697332577
My initial attempt at running this model (with max_iter = 1000) yeilded a
ConvergenceWarning. To avoid this warning, I decided to drastically increase the
iterization. However, this is computationally inefficient and could negatively impact the
model. The initial warnings could be a sign that the model is not fitting to the data
correctly. That being said, we are left with a bit of confusion considering the mean score
```

seems to reflect a well optimized model.

sns.scatterplot(x=y\_test, y=pred, alpha=0.4)

sns.regplot(x=y\_test, y=pred, truncate=True, scatter\_kws={'s': 20,

# Visualize the model results

# Actual Prices vs Predicted prices [Test Set]



```
Prediction Score
holdout_df = df_test[f1]

# Standardize the numeric columns
ss = StandardScaler()
ss_holdout = ss.fit_transform(holdout_df)

# predict SalePrice
predict = lasso.predict(ss_holdout)
submit = pd.DataFrame({'Id': df_test['Id'], 'SalePrice': predict})
submit

#export to csv
submit.to csv('lasso submission.csv',index=False)
```

```
from IPython import display
display.Image("lasso_score.png")
```

YOUR RECENT SUBMISSION



Score: 0.21471

Not a great score, but a worthy first attempt.

### **Ridge Regression**

Ridge regression aims to shrink the dimensions of the data by equal proportions.

```
# Feature(s) to look at
f2 = ['MSSubClass', 'LotFrontage', 'LotArea',
     'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemodAdd', 'MasVnrArea', 'BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF', 'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath',
     'FullBath', 'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr',
     'TotRmsAbvGrd', 'Fireplaces', 'GarageArea', 'WoodDeckSF'
     'OpenPorchSF', 'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'MiscVal', 'MoSold', 'YrSold',
     'TotalSqft', 'TotalBath', 'HouseAge'l
# Run a Linear Regression using the feature(s)
x2 = df train[f2]
y = df train['SalePrice']
# Split the data
x2 train, x2 test, y2 train, y2 test = train test split(x2, y)
x2 train.shape, x2 test.shape, y2 train.shape, y2 test.shape
((1093, 34), (365, 34), (1093,), (365,))
# Set up model
ridge reg = Ridge(alpha=1, solver="cholesky")
kf = KFold(n splits=7, shuffle=True)
# Standardize the data
ss = StandardScaler()
ss train2 = ss.fit transform(x2 train)
ss test2 = ss.transform(x2 test)
# cross validate
scores = cross val score(ridge reg, ss train2, y2 train, cv=kf)
print(scores)
print(f'Mean Score: {scores.mean()}; SD: {scores.std()}')
ridge reg.fit(ss train2, y2 train)
```

```
print(f'TRAIN Score: {ridge_reg.score(ss_train2, y2_train)}')
print(f'TEST Score: {ridge_reg.score(ss_test2, y2_test)}')

pred2 = ridge_reg.predict(ss_test2)
b, m = np.polynomial.polynomial.polyfit(y2_test, pred2, 1)

[0.77746177 0.85340441 0.88977111 0.8172674 0.85225053 0.87785206 0.82413569]

Mean Score: 0.8417347086521818; SD: 0.03565330722620647

TRAIN Score: 0.859717191911943

TEST Score: 0.885335525073244
```

Fortunately, running the ridge regression model did not prompt any warnings. It appears to have fit to the data fairly well, however, the mean score is slightly lower than that of the 11000 iteration Lasso model.



```
Prediction Score
holdout_df2 = df_test[f2]
# Standardize the numeric columns
ss = StandardScaler()
ss holdout2 = ss.fit transform(holdout df2)
# predict SalePrice
predict2 = ridge reg.predict(ss holdout2)
submit2 = pd.DataFrame({'Id': df_test['Id'], 'SalePrice': predict2})
submit2
#export to csv
submit2.to csv('ridge submission.csv',index=False)
display.Image("ridge_submission.png")
   YOUR RECENT SUBMISSION
       ridge_submission.csv
                                                                   Score: 0.34951
       Submitted by SeafoodTakeout · Submitted just now
```

This is not a great score. It is significantly worse than the Lasso model and leaves me with a lot of questions and concerns about the initial quality of my prep on the dataset.

#### **Elastic Net**

Elastic Net regression, in a way, fills the middle ground between lasso and ridge regression. It uses both L1 and L2 regularization techniques to try and capture the benefits while offsetting eachothers potential pitfalls.

```
# Feature(s) to look at
f3 = ['MSSubClass', 'LotFrontage', 'LotArea',
    'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemodAdd', 'MasVnrArea', 'BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF',
    'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath',
     'FullBath', 'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr',
    'TotRmsAbvGrd', 'Fireplaces', 'GarageArea', 'WoodDeckSF', 'OpenPorchSF', 'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'MiscVal', 'MoSold', 'YrSold',
     'TotalSqft', 'TotalBath', 'HouseAge']
# Run a Linear Regression using the feature(s)
x3 = df train[f3]
y = df train['SalePrice']
# Split the data
x3 train, x3 test, y3 train, y3 test = train test split(x3, y)
x3 train.shape, x3 test.shape, y3 train.shape, y3 test.shape
((1093, 34), (365, 34), (1093,), (365,))
# Set up model
e net = ElasticNetCV(n alphas=200, alphas=np.logspace(0, 4, 100),
\max iter = 1000)
kf = KFold(n splits=7, shuffle=True)
# Standardize the data
ss = StandardScaler()
ss train3 = ss.fit transform(x3 train)
ss test3 = ss.transform(x3 test)
# cross validate
scores = cross val score(e net, ss train3, y3 train, cv=kf)
print(scores)
print(f'Mean Score: {scores.mean()}; SD: {scores.std()}')
e net.fit(ss train3, y3 train)
print(f'TRAIN Score: {e net.score(ss train3, y3 train)}')
print(f'TEST Score: {e_net.score(ss_test3, y3_test)}')
pred3 = e net.predict(ss test3)
b, m = np.polynomial.polynomial.polyfit(y3 test, pred3, 1)
```

```
[0.86790248 0.84501076 0.8735932 0.80718903 0.81116816 0.81723714
 0.826879521
Mean Score: 0.8355686140825493; SD: 0.025050885363058557
TRAIN Score: 0.8485104942436186
TEST Score: 0.8478841103210351
# Visualize the model results
sns.scatterplot(x=y3 test, y=pred3, alpha=0.4)
sns.regplot(x=y3 test, y=pred3, truncate=True, scatter kws={'s': 20,
'alpha':0.3},
            line kws={'color':'red', 'linewidth': 2})
sns.lineplot(x=np.unique(y3_test), y=np.unique(np.poly1d(b + m *
np.unique(y3 test))), linewidth=0.5, color='r')
plt.xlabel("Actual Sale Prices")
plt.ylabel("Predicted Sale Prices")
plt.title("Actual Prices vs Predicted prices [Test Set]")
plt.show()
```



The Elastic Net model ran without complications. However, based on the mean score and the standard deviation it appears to have fit to the data worse than the previous two models. That being said, it still fits appropriately and overfitting won't seem to be a problem.

```
Prediction Score
holdout_df3 = df_test[f3]
```

The Elastic Net submission score was by far the best of the three. Despite its initial fit, the model seemed to handle noise well. The combination of L1 and L2 regularization likely played a synergistic role in the performance of this model.

# Conclusion

The three models ran fairly well for first attempts. The Kaggle prediction scores fell with in a range of effectivness. Its likely that there performance could have been optimized by better data prep. However, given the circumstances, these models adequately illustrated many of the performance differences between each regression method. Although, it would be an interesting personal project to see exactly how significantly better prep would optimize these regression methods.