

# NAME OF THE PROJECT Housing Project

Submitted by:

Neha Kumari

# **ACKNOWLEDGMENT**

# **INTRODUCTION**

• Business Problem Framing

 Houses are one of the necessary need of each and every person around the globe and therefore housing and real estate market is one of the markets which is one of the major contributors in the world's economy. It is a very large market and there are various companies working in the domain.

In this dataset , we have to predict house price help to determine the selling price of a house of a particular region and can help people to find the right time to buy a home.

#### Conceptual Background of the Domain Problem

Describe the domain related concepts that you think will be useful for better understanding of the project.

#### Review of Literature

This is a comprehensive summary of the research done on the topic. The review should enumerate, describe, summarize, evaluate and clarify the research done.

#### • Motivation for the Problem Undertaken

Motivation behind to make this project we have to predict house prices by using machine learning model with python

**Analytical Problem Framing** 

### Mathematical/ Analytical Modeling of the Problem

Describe the mathematical, statistical and analytics modelling done during this project along with the proper justification.

LinearRegressor

**Support victor Regressor** 

AdaboostRegressor

XgboostRegressor

**SGDRegressor** 

RandomForestRegressor

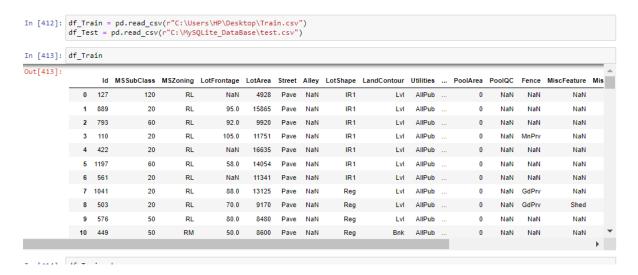
DecisionTreeRegressor

KNeighborsRegressor

#### Data Sources and their formats

Data Sources – Primary data, official sources

#### Formats – datasets in csv formate



#### Data Preprocessing Done

Preprocessing process — firstly, checking null or missing values, since there are lots of null values, so we have fill all null values and

some cloumns we have drop it which is not important for further process and around 70% to 90% is null values in these columns.

#### label Encoder

We have apply **label Encoding technique** for handling categorical columns.

Spliting the data into training and testing formate

#### Data Inputs- Logic- Output Relationships

Functions are often described in terms of "input" and "output".

A function can be conceptualized as a black box. The input value x is put in the box and the box performs a specific set of operations on it. Once the operation is complete the output is retrieved. Once the output is retrieved, the box is ready to work on the next input.

Using this idea, function composition can be seen as a box inside of a box. The input *x* value goes into the inner box, and then the output of the inner box is used as the input of the outer box.

If the composite is fog(x), the output of "g" is the input of "f".

#### Example:

If 
$$f(x) = x + 2$$
, and  $g(x) = 2x + 4$ , what is  $f(g(x))$ ?  
 $f(g(x)) = f(2x + 4) = (2x + 4) + 2 = 2x + 6$ .

 State the set of assumptions (if any) related to the problem under consideration

Here, you can describe any presumptions taken by you.

• Hardware and Software Requirements and Tools Used

Listing down the hardware and software requirements along with the tools, libraries and packages used. Describe all the software tools used along with a detailed description of tasks done with those tools.

#### Hardware:-

System requirments for python installation

#### **Software requirements:**

Jupiter Notebook – it is required for run the commands

#### Tools: -

#### Scikit - learn

- Simple and efficient tools for predictive data analysis
- Accessible to everybody, and reusable in various contexts
- Built on NumPy, SciPy, and matplotlib
- Open source, commercially usable BSD license

#### libraries and packages: -

**Numpy** - NumPy is the fundamental package for scientific computing in Python. It is a Python library that provides a multidimensional array object, various derived objects (such as masked arrays and matrices), and an assortment of routines for fast operations on arrays, including mathematical, logical, shape manipulation, sorting, selecting, I/O, discrete Fourier transforms, basic linear algebra, basic statistical operations, random simulation and much more.

**Pandas**- Pandas is another ML open-source data analysis library for Python. It focuses on data analysis and data manipulation. For machine learning programmers who want effortless working with structured multidimensional and time-series data, Pandas is the ML library they need.

Pandas offers numerous features for data handling, which include

- Data filtration
- Aligning data

- Handling data
- Pivoting data
- Data reshaping
- Merging of datasets
- Merging of datasets

Compared to Numpy, Pandas is fast, and it is one of the few libraries that can work with DateTime independently without getting help from external libraries. This tool works on all essential aspects of ML and data analysis.

**Matplotlib**- Matplotlib is a comprehensive library for creating static, animated, and interactive visualizations in Python.

**Seaborn**- Seaborn is a Python data visualization library based on <u>matplotlib</u>. It provides a high-level interface for drawing attractive and informative statistical graphics.

**Sklearn.preprocessing** - package provides several common utility functions and transformer classes to change raw feature vectors into a representation that is more suitable for the downstream estimators.

**grid search** - The grid search provided by **GridSearchCV** exhaustively generates candidates from a grid of parameter values specified with the param\_grid parameter.

# **Model/s Development and Evaluation**

 Identification of possible problem-solving approaches (methods) We are using python library and machine learning algorithms for problem solving.

Checking null or missing values
Checking duplictates values
Using data visualization, using scatter plot, hist plot
Using regulazition method
Spliting the data into training and testing formate
Using around 8 machine learning model
Find best model
Predicting the Sales price

## • Testing of Identified Approaches (Algorithms)

Listing down all the algorithms used for the training and testing.

LinearRegression

KNeighbors Regressor

Decision Tree Regressor

Random Forest Regressor

Ada Boost Regressor

 ${\sf GradientBoostingRegressor}$ 

XGBRegressor

GridSearchCV

#### Run and Evaluate selected models

Describe all the algorithms used along with the snapshot of their code and what were the results observed over different evaluation metrics.

```
316]: from sklearn.linear_model import LinearRegression
        from sklearn.model selection import train test split
        from sklearn.metrics import mean_squared_error,mean_absolute_error
317]: lm = LinearRegression()
318]: lm.fit(x_train,y_train)
318]: TinearRegression
         LinearRegression()
319]: lm.coef
319]: array([-7.13625586e+01, 2.49572117e+03, -5.90598793e+01, 1.64958258e-01,
                 7.04511297e+03, 1.09836839e+02, 2.20560832e+03, 5.10293785e+02, -3.75053199e+03, -7.29964821e+01, 1.74526897e+03, 4.90276198e+03,
                 -1.61459596e+03, 9.08303511e+02, 8.53178594e+03, 3.16751904e+03,
                  1.97714254e+00, 5.38407065e+01, -1.53460579e+03, 1.00045181e+04, -9.68996329e+02, 1.68208161e+02, 4.48519605e+03, 3.52197918e+01,
                  -7.31387410e+03, 2.71132125e+03, 2.66794614e+02, -5.04532942e+03,
                  8.40532656e+02, -3.19538009e+02, -2.01804785e+03, -1.21572100e+00,
                 -4.31990388e+02, 1.84153169e+00, 2.89629922e+00, 3.52210981e+00, -3.42898963e+03, -1.53576710e+03, 3.00186077e+03, -4.18811756e+02,
                   2.46482232e+01, 1.77930609e+01, -1.83765901e+01, 2.40646940e+01,
                  5.07703445e+03, -5.57603614e+02, 1.18104432e+03, 1.27058055e+03, -2.21500262e+02, -4.46748639e+02, -6.25702441e+03, -1.86728727e+03,
                  2.90524689e+03, 4.01067594e+03, -1.19537837e+03, -1.72047002e+01,
                 -9.67434581e-01, -1.45749281e+03, 2.24901905e+03, 1.95592959e+01, 5.87550250e+02, -5.28784813e+02, 7.44400111e+02, 2.06853632e+01, 2.62690138e+01, 1.30482622e+01, 3.94939382e+01, 2.72647728e+01,
                 -3.29572654e+02, -6.03073948e+04, 1.18905020e+00, 2.64837217e+02, -2.24327469e+03, -7.87608783e+02, 3.94387821e+03])
320]: lm.score(x_train,y_train)
320]: 0.6794854160441473
```

#### LinearRegression has given the 0.67 score

error

Mean absolute error: 28561.41268528727 Mean squared error: 2343825087.037773

```
: from sklearn.neighbors import KNeighborsRegressor
: knr = KNeighborsRegressor()
  knr.fit(x_train,y_train)
  knr.score(x_train,y_train)
  predknr = knr.predict(x_test)
  print(predknr)
  knr.score(x_test,y_test)
                                 139495.40119863 123975.40119863
  [160895.40119863 106940.
                  254866.20359589 191115.40119863 222490.80239726
   265995.00119863 193780. 185647. 174886.20359589
   156090.80239726 188495.40119863 199133.60239726 242995.40119863
   123690.80239726 135475.40119863 140430.4
                                                 140520.
   210903.40239726 129590.80239726 105634.20119863 128745.40119863
                 166090.80239726 132270.80239726 184255.
   179335.40119863 208250.80239726 177510.80239726 126095.40119863
   206335.40119863 183790.80239726 143995.40119863 147486.20359589
   192086.20359589 199835.40119863 177719.80119863 252174.6
   181477.00599315 135190.80239726 243886.20239726 182190.80239726
   118175.40119863 235800.
                                 124090.80239726 281687.60119863
   145770.80239726 157190.80239726 152690.80239726 149595.40119863
               188095.40119863 281687.60119863 152290.80239726
                  186770.80239726 154590.80239726 144695.40119863
   192400.
   107755.40119863 171975.40119863 288183.8
                                                 288150.
   157380. 193340.
                                182841.40119863 244095.40119863
   274015.40119863 162895.40119863 166480.
                                                150075.40119863
                  183886.20359589 172675.40119863 122900.
   139885.40119863 196866.20359589 133990.80239726 197180.
   165670.80239726 153100. 172780.
                                                 156900.
   100195.40119863 206520.
                                  178095.40119863 126775.40119863
                 167790.80239726 165196.80239726 215490.80239726
   202195.
   177495.40119863 163232.
                             168880.
                                                171972.40119863
   200135.40119863 213995.40119863 233286.20359589 215695.40119863
   246886.20359589 165286.20359589 169395.40119863 187550.
   164876.20359589 110650.
                             207475.40119863 188590.80239726
   115400.
              197706.80239726 158600.
                                                 161555.40119863
   330062.00119863 153535.40119863 156498.80239726 182841.40119863
   188901.80359589 152490.80239726 196600.
                                                221466.60239726
   187495.40119863 147790.80239726 145966.20359589 117175.40119863
   118995.40119863 194455.40119863 181477.00599315 286600.
   258595.40119863 172390.80239726 100195.40119863 186190.80239726
   322595.40119863 144995.40119863 177000.
                                                184995.40119863
```

KneighborsRegressor has given 0.5015358905363494 score mean absolute error - 26909.494517410625

GradientBoosRegressor has given the 0.7389630326730408

```
from xgboost import XGBRegressor

xgboost = XGBRegressor()
xgboost.fit(x_train,y_train)
xgboost.fit(x_train,y_train)
xgboostpred = xgboost.predict(x_test)
print(xgboostpred)

xgboost.score(x_test,y_test)

XGBRegressor has given the 0.6401074576496931
mean_absolute_error - 30201.14465183137

383]: from sklearn.linear_model import SGDRegressor

SGD = SGDRegressor()
SGD.fit(x_train, y_train)
SGD_pred = SGD.predict(x_test)

384]: print(mean_absolute_error(y_test, SGD_pred))
3.0360692746089744e+16
mean absolute error - 3.0360692746089744e+16
```

Gradient Boosting Regressor RandomForestRegressor has given the best score

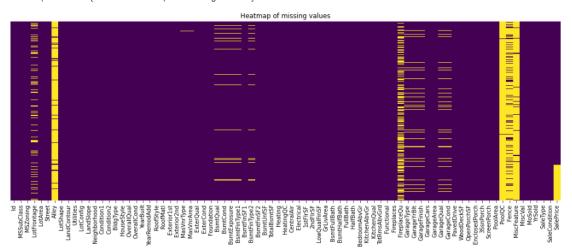
 Key Metrics for success in solving problem under consideration

What were the key metrics used along with justification for using it? You may also include statistical metrics used if any.

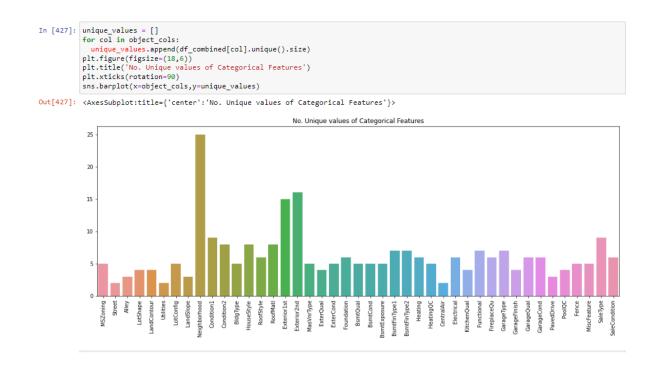
Visualizations

```
plt.figure(figsize=(18,6))
plt.title('Heatmap of missing values')
sns.heatmap(df_combined.isnull(),yticklabels=False,cbar=False,cmap='viridis')

tt[426]: <AxesSubplot:title={'center': 'Heatmap of missing values'}>
```



# Using heat map for checking null values. Since there are lots of null values



#### We are using bar plot for categoricals variables



We have use bar plot for checking Distribution.

```
In [388]: plt.figure()
           plt.title('Comparison of Sale Price of Predicted and Actual values')
           plt.scatter(y_train,Gbr.predict(x_train),label='Random Forest')
           plt.scatter(y train,rfr.predict(x train),label='XGB')
           plt.legend()
Out[388]: <matplotlib.legend.Legend at 0x1604e84f9a0>
                   Comparison of Sale Price of Predicted and Actual values
                        Random Forest
            700000
            600000
            500000
            400000
            300000
            200000
            100000
                      100000 200000 300000 400000 500000 600000 700000
```

Using scatter plot for Comparison of sale price of prediction and actual price

```
n [399]: plt.figure()
          plt.title('Comparison of Sale Price of Predicted and Actual values')
          plt.scatter(y_train,rfr.predict(x_train),label='Random Forest')
          plt.scatter(y_train,xgboost.predict(x_train),label='XGB')
          plt.scatter(y_train,regressor.predict(x_train),label='Best model')
          plt.legend()
ut[399]: <matplotlib.legend.Legend at 0x16050389340>
                 Comparison of Sale Price of Predicted and Actual values
                      Random Forest
           700000
                       XGB
                      Best model
           600000
           500000
           400000
           300000
           200000
           100000
                     100000 200000 300000 400000 500000 600000 700000
```

Using scatter plot for Comparison of sale price of prediction and actual price after hyperparameter\_grid

# • Interpretation of the Results

Give a summary of what results were interpreted from the visualizations, preprocessing and modelling.

#### **CONCLUSION**

- Key Findings and Conclusions of the Study
- The data has been separated into training and test sets. The goal is to predict the final Sale Price of the houses in the test data set.
- Advanced feature engineering is used to infer missing values in the data set. The
  categorical features are transformed into numerical features using one hot encoding. The
  performances of various regression techniques such as Random Forest, Stochastic
  Gradient Descent, Gradient Boosting, and Xtremme Gradient Boosting are compared.
  Using the best fit model,

Gradient Boosting and random regressor has given the best score

 Learning Outcomes of the Study in respect of Data Science

Gradient Boosting and random regressor has given the best score

Limitations of this work and Scope for Future Work

What are the limitations of this solution provided, the future scope? What all steps/techniques can be followed to further extend this study and improve the results.