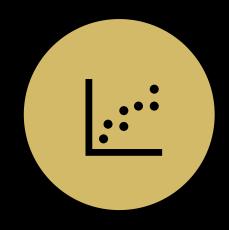
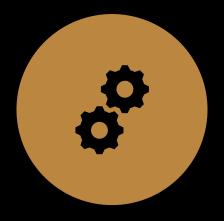


SECTIONS





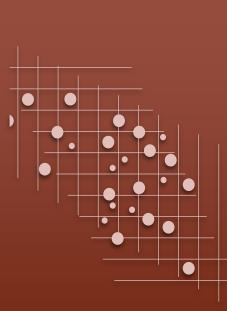


FEATURES ENGINEERING



MODEL PREDICTION

DATA EXPLORATION



We chose to examine the price path in relation to the following features:

- Bedrooms
- Beds
- Bathrooms
- Bathrooms Type
- Longitude
- Latitude
- Property Type
- Room Type
- Number of Reviews
- Number of Reviews in 30 days
- Reviews Score (Rating, Accuracy, Check in, Cleanliness, Communication, Location, Value)
- Neighborhood
- Accommodates
- Availability in 365 days
- Reviews per Month
- Count of Host Listings
- Instant Bookable
- Amenity Count

THE DATASET

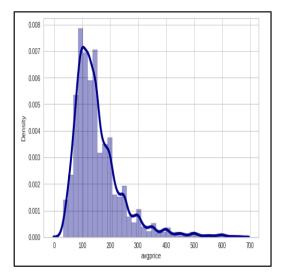
♦ At a first glance we can see the info of the features

```
<class 'pandas.core.frame.DataFrame'>
Int64Index: 18777 entries, 0 to 18781
Data columns (total 28 columns):
     Column
                                    Non-Null Count Dtype
                                    18777 non-null int64
     Property Key
     Property ID
                                    18777 non-null int64
     Latitude
                                    18777 non-null float64
    Longitude
                                    18777 non-null float64
    Accommodates
                                    18777 non-null int64
    Availability 365
                                   18777 non-null int64
    Has availability
                                   18777 non-null int64
    Reviews per month
     Reviews_per_month 18777 non-null floate
Calculated_host_listings_count 18777 non-null int64
                                 18777 non-null float64
     Property type
                                    18777 non-null object
 10 Instant bookable
                                    18777 non-null int64
                                 18777 non-null object
 11 Room type
 12 Bedrooms
                                    18777 non-null int64
                                    18777 non-null int64
 14 Bathrooms
                                   18777 non-null float64
 15 Bathrooms type
                                 18777 non-null object
   Neighbourhood cleansed
                                 18777 non-null object
 17 Number of reviews
                                    18777 non-null int64
 18 Number of reviews 130d
                                 18777 non-null int64
 19 Review scores rating
                                    18777 non-null int64
 20 Review scores accuracy
                                 18777 non-null int64
 21 Review scores checkin
                                   18777 non-null int64
 22 Review scores cleanliness
                                 18777 non-null int64
    Review scores communication
                                   18777 non-null int64
 24 Review scores location
                                    18777 non-null int64
   Review scores value
                                    18777 non-null int64
                                   18777 non-null int64
 26 Amenity Count
                                   18777 non-null float64
 27 avgprice
dtypes: float64(5), int64(19), object(4)
memory usage: 4.2+ MB
```

count 18777.000000
mean 162.896918
std 174.302646
min 5.000000
25% 99.032877
50% 134.332425
75% 189.000000
max 8000.000000
Name: avgprice, dtype: float64

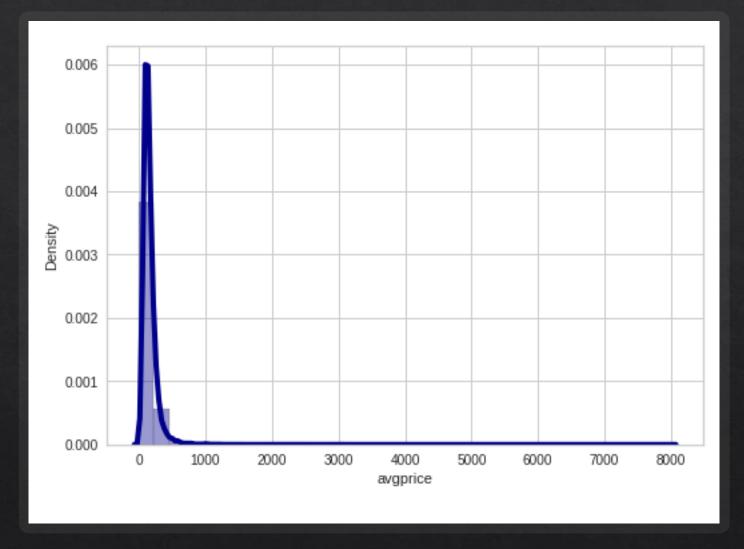
Price Distribution

→ Price Description



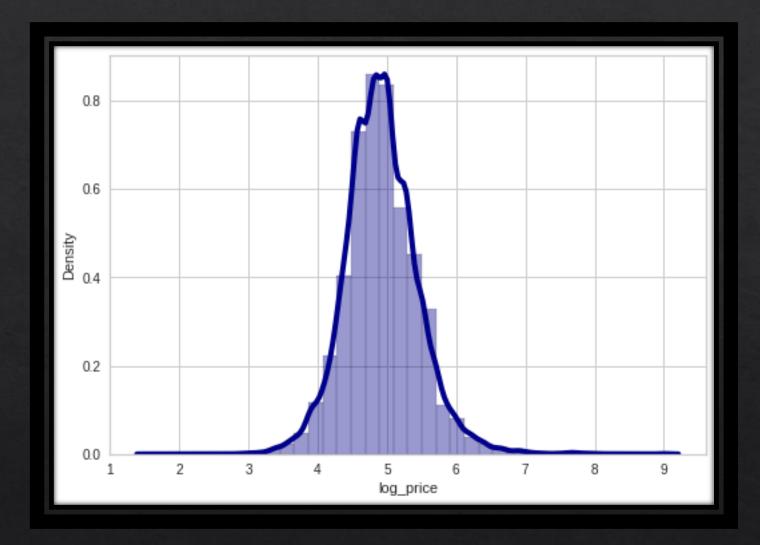
Price and log Price

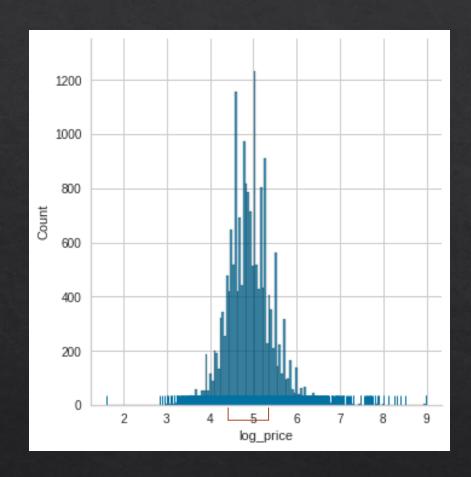
Description	Price
Mean	162.8969
Standard Deviation	174.3026
Range	7995
Median	134.3324
1st Quantile	99.0328
3 rd Quantile	189



Price and log Price

Description	Price	Log Price
Mean	162.8969	4.924357
Standard Deviation	174.3026	0.530360
Range	7995	7.3777
Median	134.3324	4.900318
1 st Quantile	99.0328	4.595452
3 rd Quantile	189	5.241747

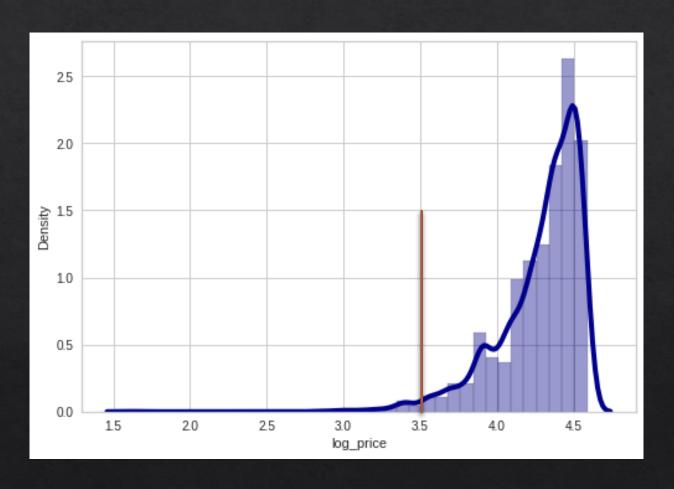




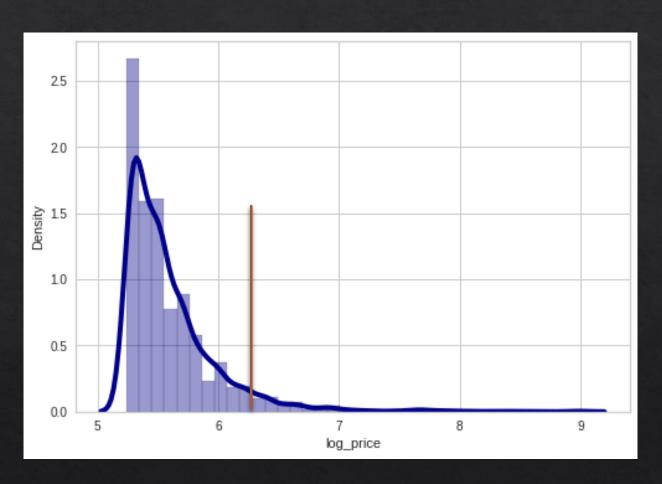
Outliers

- □ 1st Quantile (4.59) : 4695 Values
- □ 2nd Quantile (4.90): 9389 Values
- □ 3rd Quantile (5.24): 14083 Values
- □ 4695 (25%) values under 4.59
- \square 9388 (50%) values between 4.59 5.24
- □ 4694 (25%) values over 5.24

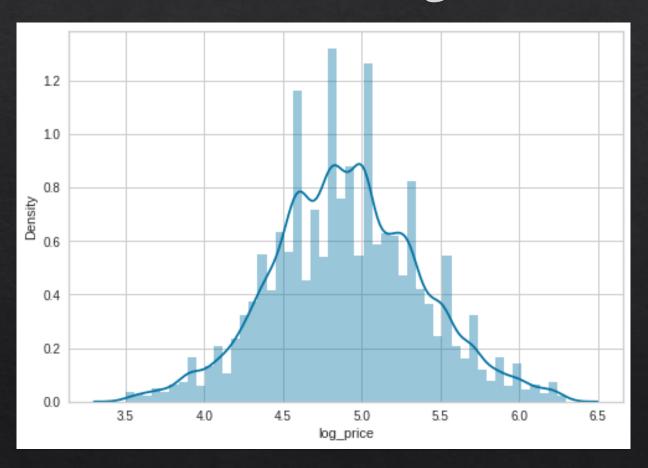
Cutting Outliers (<4.59)



Cutting Outliers (>5.24)

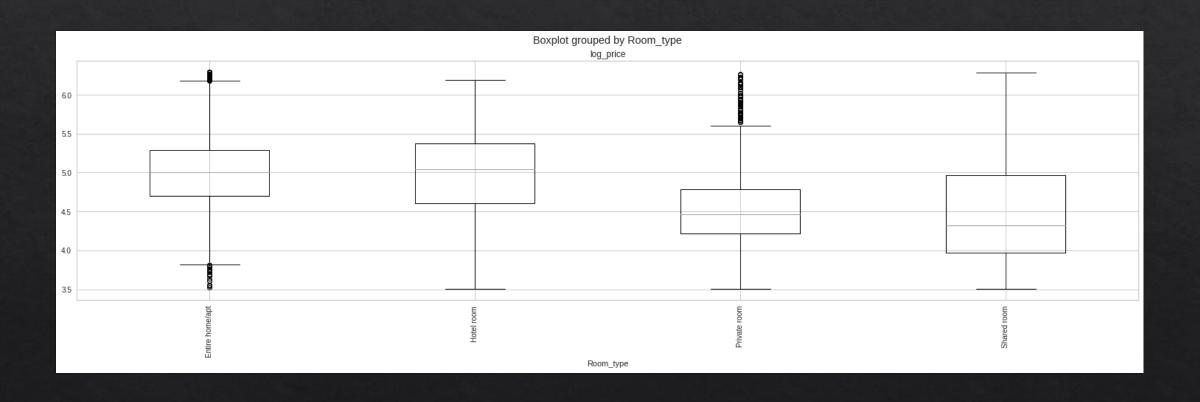


Log Price Distribution

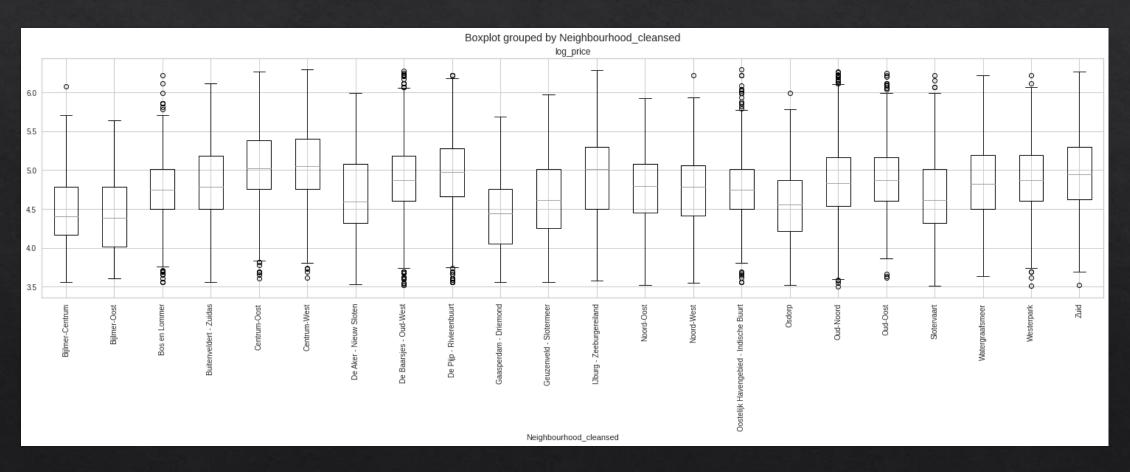


- \square Skewness = 0.092279
- □ Kurtosis = 0.046570
- \Box Mean = 4.906654
- ☐ St. Deviation = 0.475776

Log Price vs Room Type

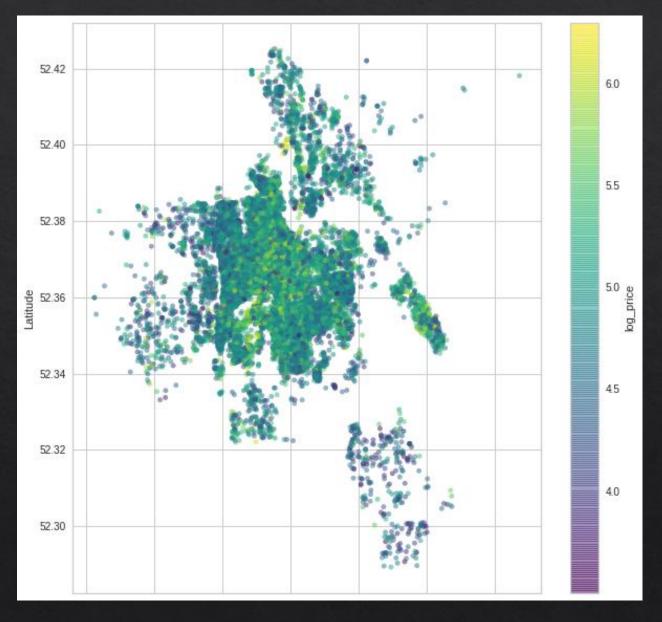


Log Price vs Neighborhood



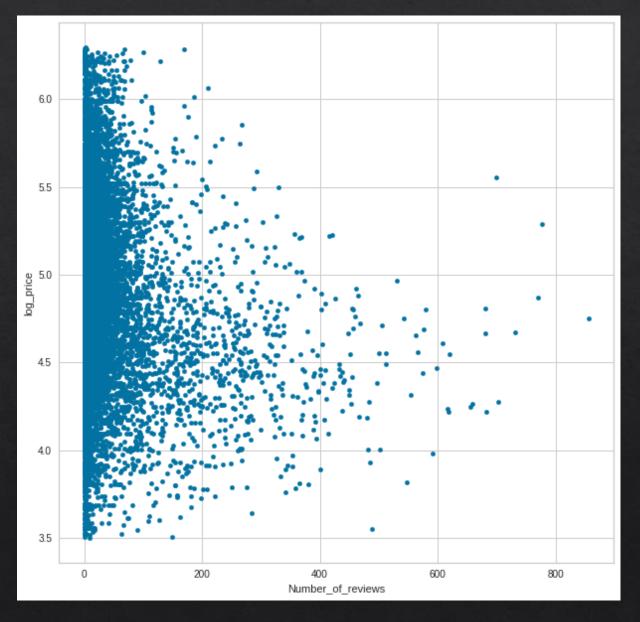
Log Price vs Location

- Expensive listings are mostly located in the center of the city
- Cheaper listings are in the suburbs



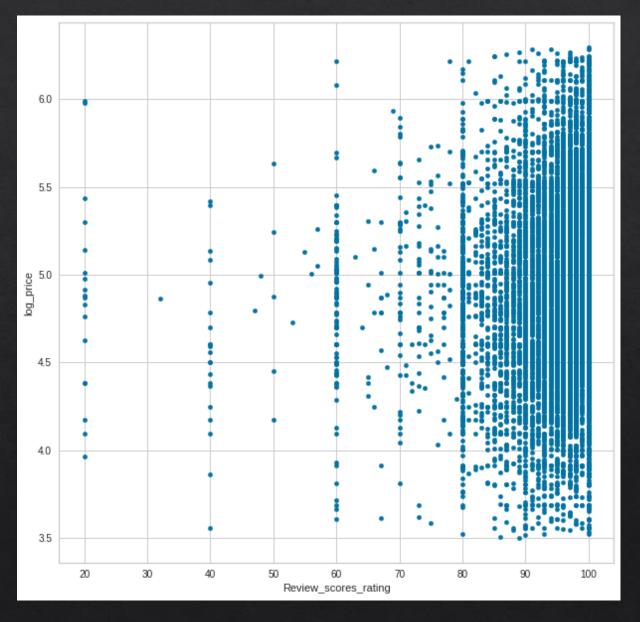
Log Price vs Number of Reviews

- Most listings have under 200 number of reviews
- More expensive listings do not have greater number of reviews



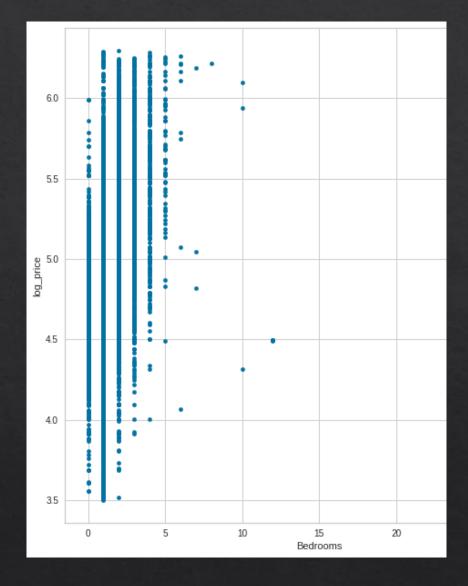
Log Price vs Score Rating

- Most listings have score rating over 80%
- Listings with bigger rating do not have bigger price



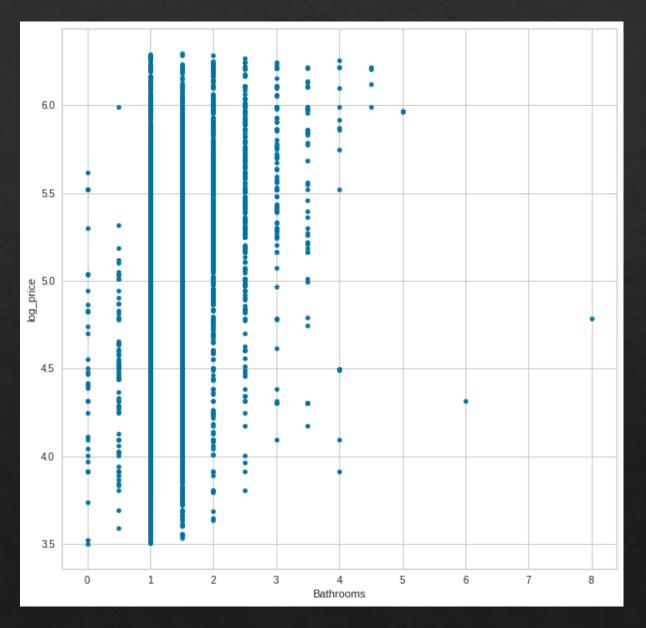
Log Price vs Bedrooms

- Most listings have under 5 bedrooms
- Listings with more bedrooms have higher price

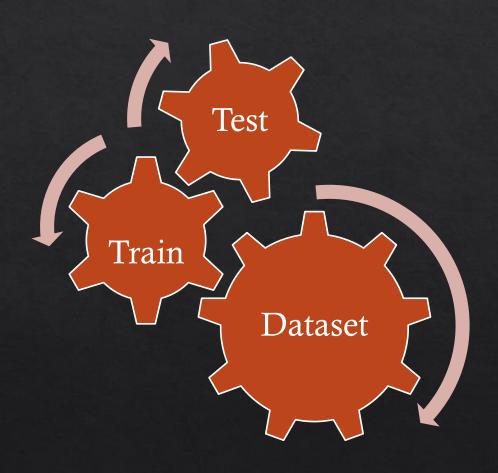


Log Price vs Bathrooms

- Most listings have under 4 bathrooms
- Listings with more bathrooms have higher price



Feature Engineering



Split into dependent and independent variable

Dataset				
Log_price	bathrooms	bedrooms		Amenity count
			•	
•	•		•	
•	•	·	•	·
	•			
•	•	•	•	•



X			
bathrooms	bedrooms		Amenity count
	•		•
•	•	•	٠
		•	•
	•	•	•
•	•		•
		•	
•	•	•	•

We choose to examine the price path based on the following regression models:

☐ Linear Regression

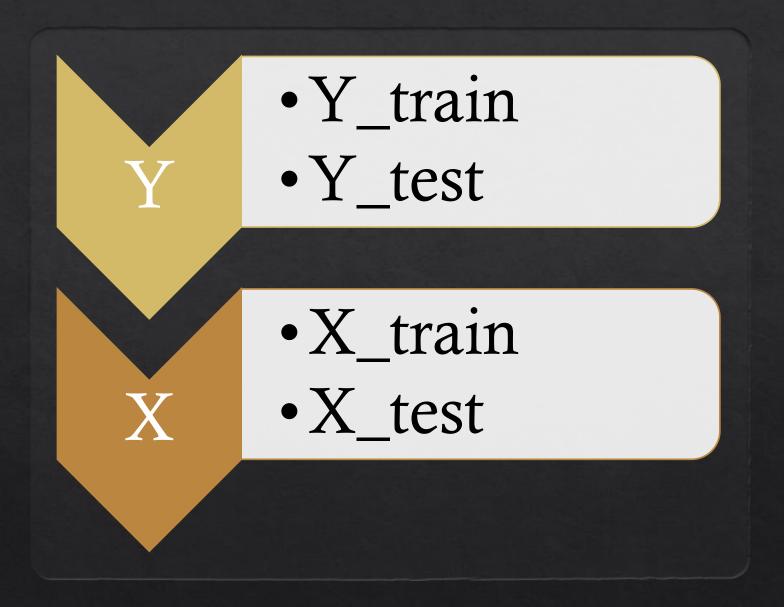
☐ Lasso

☐ Elastic Net

☐ Ridge

☐ Random Forest

*Baseline error: 0.478988

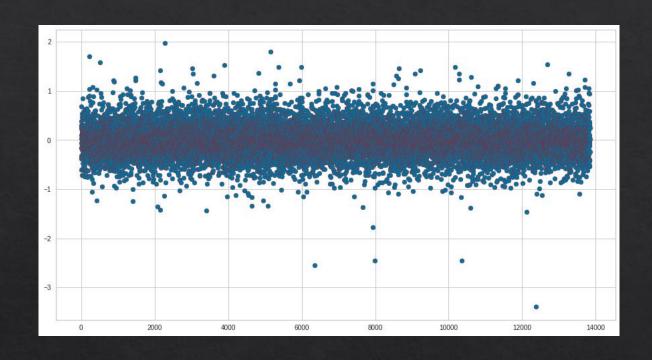


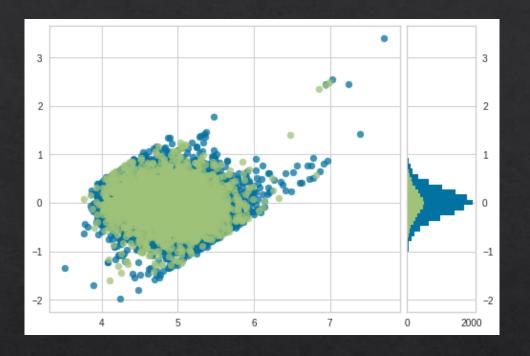
Model Prediction



Linear Regression

Metric	Value
R^2	0.50415
Max. Error	2.49728
MSE	0.11345
MRSE	0.33683



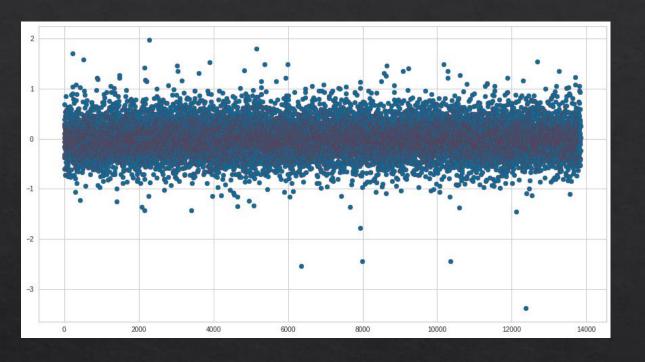


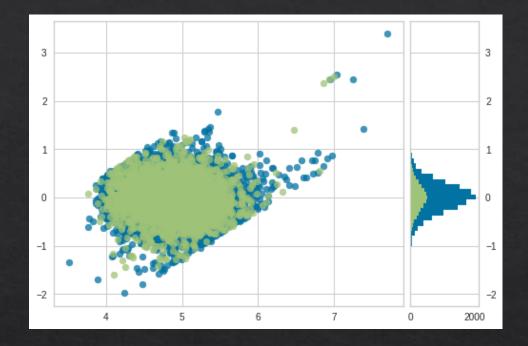
Residuals Scatter Plot

Residuals VS Predicted Price

Ridge Regression

Metric	Value
R^2	0.50430
Max. Error	2.50040
MSE	0.11342
MRSE	0.33678



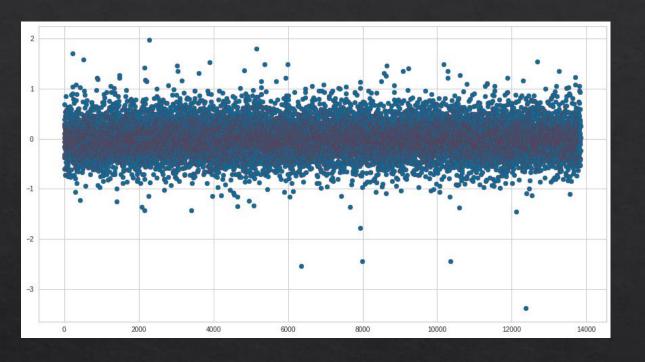


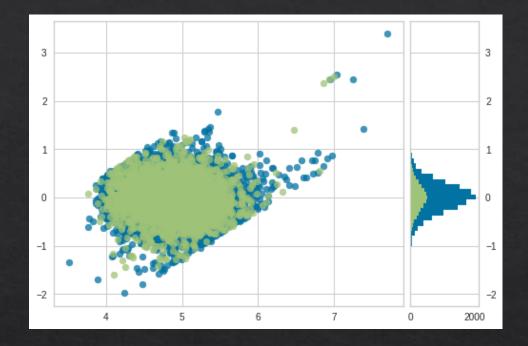
Residuals Scatter Plot

Residuals VS Predicted Price

Lasso Regression

Metric	Value
R^2	0.48356
Max. Error	2.51292
MSE	0.11816
MRSE	0.34374



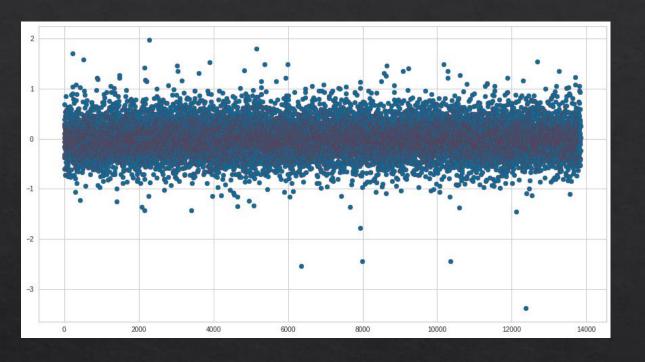


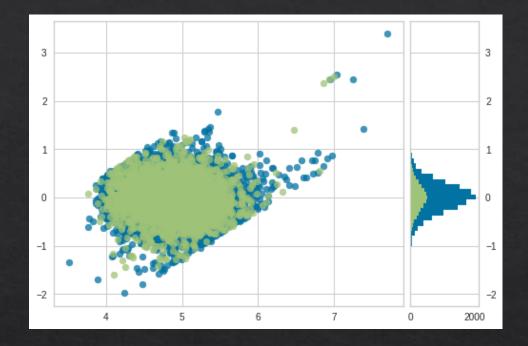
Residuals Scatter Plot

Residuals VS Predicted Price

Elastic Net Regression

Metric	Value
R^2	0.50415
Max. Error	2.52100
MSE	0.11345
MRSE	0.33683



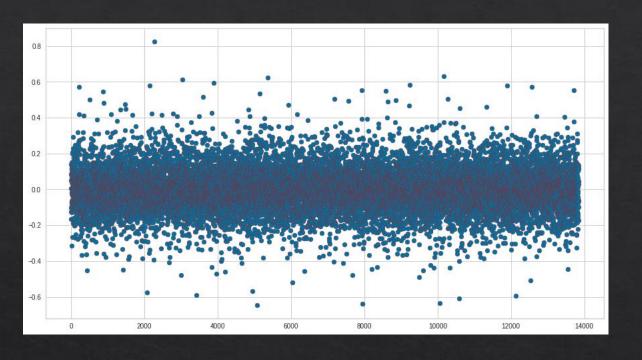


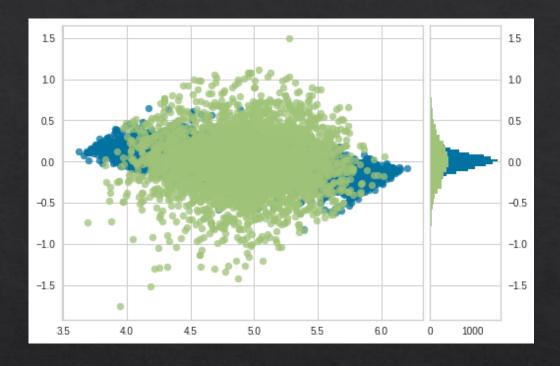
Residuals Scatter Plot

Residuals VS Predicted Price

Random Forest Regression

Metric	Value
R^2	0.54282
Max. Error	1.75878
MSE	0.10461
MRSE	0.32343

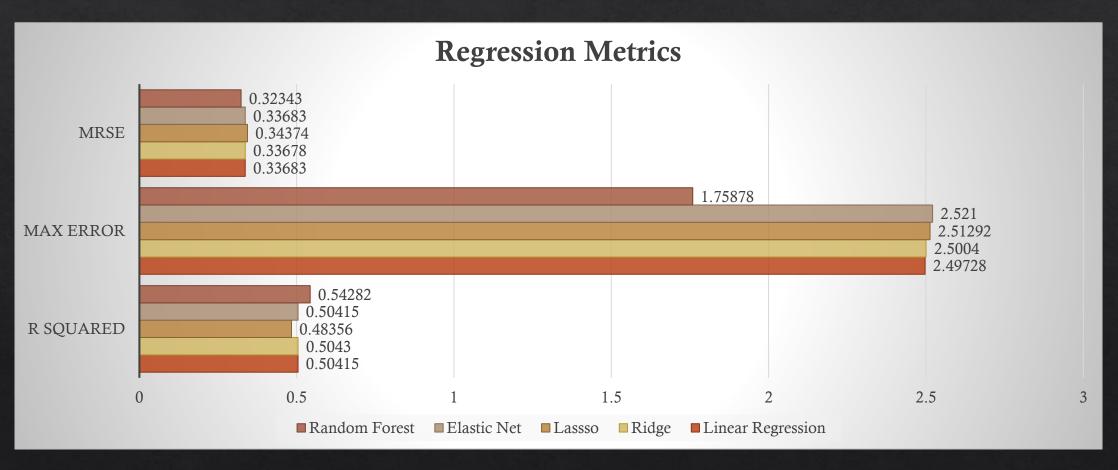




Residuals Scatter Plot

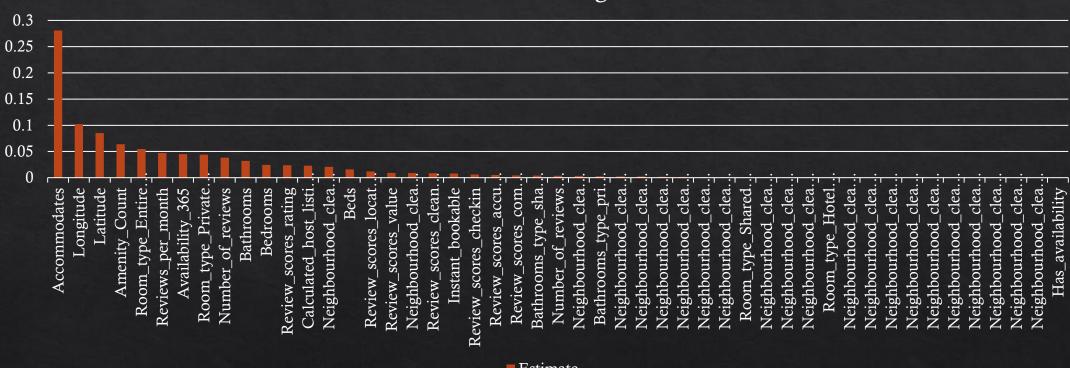
Residuals VS Predicted Price

Model Evaluation



Feature Importance

Random Forest Regression



Feature Importance

Grouped Features

