

# Real estate price predictor

```
In [ ]: import numpy as np
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
import warnings
warnings.filterwarnings("ignore")
```

```
In [ ]: data=pd.read_csv('datasets/Real_estate_prediction.csv')
```

```
In [ ]: data.head()
```

## Data Cleaning

### changing column headings

```
In [ ]: new_headings=['No.', 'date', 'age', 'dist_mrt', 'num_stores', 'latitude', 'longitude']
data=data.set_axis(new_headings,axis=1)
```

```
In [ ]: data.set_index('No.',inplace=True)
```

### changing data type

```
In [ ]: data['date']=data['date'].astype(int)
```

### checking for duplicates

```
In [ ]: duplicates=data.duplicated()
duplicates.any()
```

### checking for null values

```
In [ ]: data.isnull().sum()
```

### dealing with outliers

### setting graph attributes

```
In [ ]: sns.set(style="whitegrid", palette="deep", rc={"figure.figsize": (6, 4)})
```

- age

```
In [ ]: sns.boxplot(x=data['age'])  
plt.title('Box Plot of Age')
```

- distance to metro station

```
In [ ]: sns.boxplot(x=data['dist_mrt'])
```

- num\_stores

```
In [ ]: sns.boxplot(x=data['num_stores'])
```

- latitude and longitude

```
In [ ]: sns.boxplot(x=data['latitude'])
```

```
In [ ]: sns.boxplot(x=data['longitude'])
```

- house price

```
In [ ]: sns.boxplot(x=data['price'])
```

***there are outliers in:***

- dist\_mrt
- latitude and longitude
- price

**removing outliers**

```
In [ ]: data = data[data['price'] < 80]  
data = data[data['dist_mrt'] < 3000]  
data = data[(data['longitude'] > 121.50) & (data['longitude'] < 121.56)]  
data = data[(data['latitude'] > 24.92) & (data['latitude'] < 25.00)]
```

**exploring data**

```
In [ ]: data.hist(bins=50, figsize=(20,15))  
plt.show()
```

```
In [ ]: sns.pairplot(data,x_vars=['date', 'age', 'dist_mrt', 'num_stores','latitude',
```

### checking correlation

```
In [ ]: plt.figure(figsize=(6, 4))  
sns.heatmap(data.corr(), cmap='Blues', linewidths=0.5, annot=True)
```

## Splitting Data

```
In [ ]: from sklearn.model_selection import train_test_split  
from sklearn.linear_model import LinearRegression  
from sklearn.metrics import r2_score
```

- x1 - the predictor variables
- y1 - target variable (what we have to predict)

```
In [ ]: x1 = data.drop( ['price'], axis=1)  
y1 = data.price
```

- The dataset is split into training (80%) and testing (20%) sets.
- random\_state=100 ensures the split is reproducible.

```
In [ ]: x1_train, x1_test, y1_train, y1_test = train_test_split(x1,y1, test_size = 0.2
```

## Linear Regression Model

### fitting the model

```
In [ ]: reg = LinearRegression()  
reg.fit (x1_train, y1_train)  
np.set_printoptions(suppress=True) #to remove scientific notation  
reg.coef_
```

the coefficients in the array show that by increase in one unit of the predictor variable the target variable changes by that amount

### evaluating model

```
In [ ]: y1_pred = reg.predict(x1_test)
        print('r2 Score : ', r2_score(y1_test, y1_pred))
```

- An  $R^2$  score of 0.598 suggests that the model has a moderate to strong fit to the data.
- 59.825% of the variance in the target variable can be explained by the features in the model.

### visualising errors

```
In [ ]: df=pd.DataFrame({'actual':y1_test,'predictions':y1_pred})
        df['predictions']=round(df['predictions'])
        df.head()
```

```
In [ ]: sns.regplot(x='actual',y='predictions',data=df)
```

### creating function to predict different entries

```
In [ ]: def predict_price(input_data):
        predicted_price= reg.predict(input_data)
        return predicted_price
```

```
In [ ]: a=np.array([[2012,32,84.8,10,24.982,121.540]])
        predict_price(a)
```

## Ridge and Lasso Regression

- Ridge Regression: It smooths out our predictions by putting a limit on how much the factors can influence the outcome.
- Lasso Regression: It helps us pick out the most important factors for prediction and ignores the less important ones.

```
In [ ]: from sklearn.linear_model import Ridge, Lasso
```

```
In [ ]: ridge_reg = Ridge(alpha=1, solver="cholesky")
        ridge_reg.fit(x1_train, y1_train)
        y1_pred_ridge = ridge_reg.predict(x1_test)
        print('r^2 Score : ', r2_score(y1_test, y1_pred_ridge))
```

```
In [ ]: lasso_reg = Lasso(alpha=0.1)
lasso_reg.fit (x1_train, y1_train)
y1_pred_lasso = lasso_reg.predict(x1_test)
print('r^2 Score : ', r2_score(y1_test, y1_pred_lasso))
```

```
In [ ]:
```