# 022-price-and-location

April 10, 2022

Predicting Price with Location

```
import numpy as np
import pandas as pd
import plotly.express as px
import plotly.graph_objects as go
import wqet_grader
from IPython.display import VimeoVideo
from sklearn.impute import SimpleImputer
from sklearn.linear_model import LinearRegression
from sklearn.metrics import mean_absolute_error
from sklearn.pipeline import Pipeline, make_pipeline
from sklearn.utils.validation import check_is_fitted

warnings.simplefilter(action="ignore", category=FutureWarning)
wqet_grader.init("Project 2 Assessment")
```

<IPython.core.display.HTML object>

In this lesson, we're going to build on the work we did in the previous lesson. We're going to create a more complex wrangle function, use it to clean more data, and build a model that considers more features when predicting apartment price.

```
[2]: VimeoVideo("656752925", h="701f3f4081", width=600)
```

[2]: <IPython.lib.display.VimeoVideo at 0x7f11327880d0>

# 1 Prepare Data

### 1.1 Import

```
[3]: def wrangle(filepath):
    # Read CSV file
    df = pd.read_csv(filepath)

# Subset data: Apartments in "Capital Federal", less than 400,000
```

```
mask_ba = df["place_with_parent_names"].str.contains("Capital Federal")
mask_apt = df["property_type"] == "apartment"
mask_price = df["price_aprox_usd"] < 400_000
df = df[mask_ba & mask_apt & mask_price]

# Subset data: Remove outliers for "surface_covered_in_m2"
low, high = df["surface_covered_in_m2"].quantile([0.1, 0.9])
mask_area = df["surface_covered_in_m2"].between(low, high)
df = df[mask_area]

#split "lat-lon" col
df[["lat","lon"]] = df["lat-lon"].str.split(",",expand=True).astype(float)
df.drop(columns="lat-lon", inplace=True)</pre>
```

- [4]: VimeoVideo("656752771", h="3a42896eb6", width=600)
- [4]: <IPython.lib.display.VimeoVideo at 0x7f106e458880>

Task 2.2.1: Use your wrangle function to create a DataFrame frame1 from the CSV file data/buenos-aires-real-estate-1.csv.

```
[5]: frame1 = wrangle("data/buenos-aires-real-estate-1.csv")
    print(frame1.info())
    frame1.head()
```

<class 'pandas.core.frame.DataFrame'>
Int64Index: 1343 entries, 4 to 8604
Data columns (total 17 columns):

#	Column	Non-Null Count	Dtype
0	operation	1343 non-null	object
1	property_type	1343 non-null	object
2	place_with_parent_names	1343 non-null	object
3	price	1343 non-null	float64
4	currency	1343 non-null	object
5	<pre>price_aprox_local_currency</pre>	1343 non-null	float64
6	<pre>price_aprox_usd</pre>	1343 non-null	float64
7	surface_total_in_m2	965 non-null	float64
8	surface_covered_in_m2	1343 non-null	float64
9	price_usd_per_m2	927 non-null	float64
10	price_per_m2	1343 non-null	float64
11	floor	379 non-null	float64
12	rooms	1078 non-null	float64
13	expenses	349 non-null	object

```
1343 non-null
                                                         object
     14
         properati_url
     15
                                        1300 non-null
                                                         float64
         lat
     16
         lon
                                        1300 non-null
                                                         float64
    dtypes: float64(11), object(6)
    memory usage: 188.9+ KB
    None
[5]:
        operation property_type
                                                     place_with_parent_names
     4
             sell
                                      |Argentina|Capital Federal|Chacarita|
                       apartment
     9
                                     |Argentina|Capital Federal|Villa Luro|
             sell
                       apartment
     29
             sell
                                      |Argentina|Capital Federal|Caballito|
                       apartment
     40
             sell
                       apartment
                                   |Argentina|Capital Federal|Constitución|
             sell
                       apartment
                                            |Argentina|Capital Federal|Once|
            price currency
                             price_aprox_local_currency
                                                           price aprox usd
     4
         129000.0
                        USD
                                                1955949.6
                                                                   129000.0
     9
          87000.0
                        USD
                                                1319128.8
                                                                    87000.0
                        USD
     29
         118000.0
                                                1789163.2
                                                                   118000.0
     40
          57000.0
                        USD
                                                 864256.8
                                                                    57000.0
     41
          90000.0
                        USD
                                                1364616.0
                                                                    90000.0
                                surface_covered_in_m2
         surface_total_in_m2
                                                        price_usd_per_m2
     4
                         76.0
                                                  70.0
                                                              1697.368421
     9
                                                  42.0
                         48.0
                                                              1812.500000
     29
                          NaN
                                                  54.0
                                                                      NaN
     40
                                                  42.0
                         42.0
                                                              1357.142857
     41
                         57.0
                                                  50.0
                                                              1578.947368
         price_per_m2
                        floor
                                rooms expenses
     4
          1842.857143
                          NaN
                                  NaN
                                           NaN
     9
          2071.428571
                          NaN
                                  NaN
                                           NaN
     29
          2185.185185
                          NaN
                                  2.0
                                           NaN
     40
          1357.142857
                          5.0
                                  2.0
                                           364
     41
          1800.000000
                                  3.0
                                           450
                          NaN
                                               properati_url
                                                                                  lon
                                                                      lat.
         http://chacarita.properati.com.ar/10qlv_venta_m -34.584651 -58.454693
     4
     9
         http://villa-luro.properati.com.ar/12m82_venta... -34.638979 -58.500115
         http://caballito.properati.com.ar/11wqh_venta_m -34.615847 -58.459957
     29
     40
         http://constitucion.properati.com.ar/k2f0_vent... -34.625222 -58.382382
         http://once.properati.com.ar/suwa_venta_depart... -34.610610 -58.412511
     41
```

For our model, we're going to consider apartment location, specifically, latitude and longitude. Looking at the output from frame1.info(), we can see that the location information is in a single column where the data type is object (pandas term for str in this case). In order to build our model, we need latitude and longitude to each be in their own column where the data type is float.

```
[6]: VimeoVideo("656751955", h="e47002428d", width=600)
```

[6]: <IPython.lib.display.VimeoVideo at 0x7f111f91d790>

Task 2.2.2: Add to the wrangle function below so that, in the DataFrame it returns, the "lat-lon" column is replaced by separate "lat" and "lon" columns. Don't forget to also drop the "lat-lon" column. Be sure to rerun all the cells above before you continue.

- What's a function?
- Split the strings in one column to create another using pandas.
- Drop a column from a DataFrame using pandas.

Now that our wrangle function is working, let's use it to clean more data!

```
[8]: VimeoVideo("656751853", h="da40b0a474", width=600)
```

[8]: <IPython.lib.display.VimeoVideo at 0x7f111f931820>

Task 2.2.3: Use you revised wrangle function create a DataFrames frame2 from the file data/buenos-aires-real-estate-2.csv.

```
[9]: frame2 = wrangle("data/buenos-aires-real-estate-2.csv")
```

As you can see, using a function is much quicker than cleaning each file individually like we did in the last project. Let's combine our DataFrames so we can use then to train our model.

```
[11]: VimeoVideo("656751405", h="d1f95ab108", width=600)
```

[11]: <IPython.lib.display.VimeoVideo at 0x7f111f938cd0>

Task 2.2.4: Use pd.concat to concatenate frame1 and frame2 into a new DataFrame df. Make sure you set the ignore\_index argument to True.

• Concatenate two or more DataFrames using pandas.

```
[12]: df = pd.concat([frame1,frame2], ignore_index=True)
print(df.info())
df.head()
```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 2658 entries, 0 to 2657
Data columns (total 17 columns):

#	Column	Non-Null Count	Dtype
0	operation	2658 non-null	object
1	property_type	2658 non-null	object
2	place_with_parent_names	2658 non-null	object
3	price	2658 non-null	float64
4	currency	2658 non-null	object
5	<pre>price_aprox_local_currency</pre>	2658 non-null	float64
6	<pre>price_aprox_usd</pre>	2658 non-null	float64
7	surface_total_in_m2	1898 non-null	float64
8	surface_covered_in_m2	2658 non-null	float64
9	<pre>price_usd_per_m2</pre>	1818 non-null	float64
10	price_per_m2	2658 non-null	float64
11	floor	769 non-null	float64
12	rooms	2137 non-null	float64
13	expenses	688 non-null	object
14	properati_url	2658 non-null	object
15	lat	2561 non-null	float64
16	lon	2561 non-null	float64

dtypes: float64(11), object(6)
memory usage: 353.1+ KB

None

[12]:		operation	property_type		place_with_p	arent_na	mes	price	\
	0	sell	apartment	Argentina	Capital Federal	Chacari	ta  12	9000.0	
	1	sell	apartment	Argentina Ca	apital Federal	Villa Lu	rol 8	7000.0	
	2	sell	apartment	Argentina	Capital Federal	Caballi	to  11	.8000.0	
	3	sell	apartment	Argentina Cap	ital Federal Co	nstituci	ón  5	7000.0	
	4	sell	apartment	Argen	tina Capital Fe	deral On	cel 9	0.0000	
		currency	<pre>price_aprox_l</pre>	ocal_currency p	rice_aprox_usd	surface	_total_	in_m2	\
	0	USD		1955949.6	129000.0			76.0	
	1	USD		1319128.8	87000.0			48.0	
	2	USD		1789163.2	118000.0			${\tt NaN}$	
	3	USD		864256.8	57000.0			42.0	
	4	USD		1364616.0	90000.0			57.0	
		surface_c	covered_in_m2	price_usd_per_m2	2 price_per_m2	floor	rooms	\	
	0		70.0	1697.36842	1 1842.857143	NaN	NaN		
	1		42.0	1812.500000	2071.428571	NaN	NaN		
	2		54.0	Nal	N 2185.185185	NaN	2.0		
	3		42.0	1357.14285	7 1357.142857	5.0	2.0		
	4		50.0	1578.947368	3 1800.000000	NaN	3.0		

```
lat \
        expenses
                                                        properati_url
      0
                  http://chacarita.properati.com.ar/10qlv_venta_... -34.584651
             {\tt NaN}
      1
                  http://villa-luro.properati.com.ar/12m82_venta... -34.638979
                  http://caballito.properati.com.ar/11wqh_venta_... -34.615847
      2
      3
             364 http://constitucion.properati.com.ar/k2f0_vent... -34.625222
                  http://once.properati.com.ar/suwa_venta_depart... -34.610610
             450
               lon
      0 -58.454693
      1 -58.500115
      2 -58.459957
      3 -58.382382
      4 -58.412511
[13]: # Check your work
      assert df.shape == (2658, 17), f"'df' is the wrong size: {df.shape}"
```

## 1.2 Explore

In the last lesson, we built a simple linear model that predicted apartment price based on one feature, "surface\_covered\_in\_m2". In this lesson, we're building a multiple linear regression model that predicts price based on two features, "lon" and "lat". This means that our data visualizations now have to communicate three pieces of information: Longitude, latitude, and price. How can we represent these three attributes on a two-dimensional screen?

One option is to incorporate color into our scatter plot. For example, in the Mapbox scatter plot below, the location of each point represents latitude and longitude, and color represents price.

```
[14]: VimeoVideo("656751031", h="367be02e14", width=600)
```

[14]: <IPython.lib.display.VimeoVideo at 0x7f111f9388e0>

Task 2.2.5: Complete the code below to create a Mapbox scatter plot that shows the location of the apartments in df.

- What's a scatter plot?
- Create a Mapbox scatter plot in plotly express.

```
fig.update_layout(mapbox_style="open-street-map")
fig.show()
```



Another option is to add a third dimension to our scatter plot. We can plot longitude on the x-axis and latitude on the y-axis (like we do in the map above), and then add a z-axis with price.

```
[16]: VimeoVideo("656750669", h="574287f687", width=600)
```

[16]: <IPython.lib.display.VimeoVideo at 0x7f111f938580>

Task 2.2.6: Complete the code below to create a 3D scatter plot, with "lon" on the x-axis, "lat" on the y-axis, and "price\_aprox\_usd" on the z-axis.

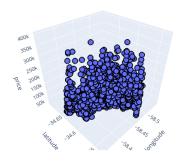
- What's a scatter plot?
- Create a 3D scatter plot in plotly express.

```
[17]: # Create 3D scatter plot
fig = px.scatter_3d(
    df,
    x="lon",
    y="lat",
    z="price_aprox_usd",
    labels={"lon": "longitude", "lat": "latitude", "price_aprox_usd": "price"},
    width=600,
    height=500,
)

# Refine formatting
fig.update_traces(
```

```
marker={"size": 4, "line": {"width": 2, "color": "DarkSlateGrey"}},
    selector={"mode": "markers"},
)

# Display figure
fig.show()
```



Tip: 3D visualizations are often harder for someone to interpret than 2D visualizations. We're using one here because it will help us visualize our model once it's built, but as a rule, it's better to stick with 2D when your communicating with an audience.

In the last lesson, we represented our simple model as a line imposed on a 2D scatter plot.

How do you think we'll represent our multiple linear regression model in the 3D plot we just made?

#### 1.3 Split

Even though we're building a different model, the steps we follow will be the same. Let's separate our features (latitude and longitude) from our target (price).

```
[18]: VimeoVideo("656750457", h="09f5fe3962", width=600)
```

[18]: <IPython.lib.display.VimeoVideo at 0x7f111ef39a90>

Task 2.2.7: Create the feature matrix named X\_train. It should contain two features: ["lon", "lat"].

- What's a feature matrix?
- Subset a DataFrame by selecting one or more columns in pandas.

```
[19]: features = ["lon", "lat"]
X_train = df[features]
#X_train.head()
```

```
[20]: VimeoVideo("656750323", h="1a82090b9b", width=600)
```

[20]: <IPython.lib.display.VimeoVideo at 0x7f111f959880>

Task 2.2.8: Create the target vector named y\_train, which you'll use to train your model. Your target should be "price\_aprox\_usd". Remember that, in most cases, your target vector should be one-dimensional.

- What's a target vector?
- Select a Series from a DataFrame in pandas.

```
[21]: target = "price_aprox_usd"
y_train = df[target]
#y_train.head()
```

### 2 Build Model

# 2.1 Baseline

Again, we need to set a baseline so we can evaluate our model's performance. You'll notice that the value of y\_mean is not exactly the same as it was in the previous lesson. That's because we've added more observations to our training data.

```
[22]: VimeoVideo("656750112", h="1ef669fe2b", width=600)
```

[22]: <IPython.lib.display.VimeoVideo at 0x7f111f959580>

Task 2.2.9: Calculate the mean of your target vector y\_train and assign it to the variable y\_mean.

• Calculate summary statistics for a DataFrame or Series in pandas.

```
[23]: y_mean = y_train.mean()
```

Task 2.2.10: Create a list named y\_pred\_baseline that contains the value of y\_mean repeated so that it's the same length at y\_train.

• Calculate the length of a list in Python.

```
[24]: y_pred_baseline = [y_mean] * len(y_train)
y_pred_baseline[:5]
```

```
[24]: [134732.9734048155,
134732.9734048155,
134732.9734048155,
134732.9734048155,
134732.9734048155]
```

```
[25]: VimeoVideo("656749994", h="50c71bf4e5", width=600)
```

[25]: <IPython.lib.display.VimeoVideo at 0x7f111ef39970>

Task 2.2.11: Calculate the baseline mean absolute error for your predictions in y\_pred\_baseline as compared to the true targets in y\_train.

- What's a performance metric?
- What's mean absolute error?
- Calculate the mean absolute error for a list of predictions in scikit-learn.

```
[26]: mae_baseline = mean_absolute_error(y_train, y_pred_baseline)

print("Mean apt price", round(y_mean, 2))
print("Baseline MAE:", round(mae_baseline, 2))
```

Mean apt price 134732.97 Baseline MAE: 45422.75

#### 2.2 Iterate

Take a moment to scroll up to the output for df.info() and look at the values in the "Non-Null Count" column. Because of the math it uses, a linear regression model can't handle observations where there are missing values. Do you see any columns where this will be a problem?

In the last project, we simply dropped rows that contained NaN values, but this isn't ideal. Models generally perform better when they have more data to train with, so every row is precious. Instead, we can fill in these missing values using information we get from the whole column — a process called **imputation**. There are many different strategies for imputing missing values, and one of the most common is filling in the missing values with the mean of the column.

In addition to **predictors** like LinearRegression, scikit-learn also has **transformers** that help us deal with issues like missing values. Let's see how one works, and then we'll add it to our model.

```
[27]: VimeoVideo("656748776", h="014f943c46", width=600)
```

[27]: <IPython.lib.display.VimeoVideo at 0x7f111f91d7c0>

Task 2.2.12: Instantiate a SimpleImputer named imputer.

- What's imputation?
- Instantiate a transformer in scikit-learn.

```
[28]: imputer = SimpleImputer()
```

```
[29]: # Check your work
assert isinstance(imputer, SimpleImputer)
```

Just like a predictor, a transformer has a fit method. In the case of our SimpleImputer, this is the step where it calculates the mean values for each numerical column.

```
[30]: VimeoVideo("656748659", h="fdaa8d0329", width=600)
```

[30]: <IPython.lib.display.VimeoVideo at 0x7f111c58b070>

Task 2.2.13: Fit your transformer imputer to the feature matrix X.

• Fit a transformer to training data in scikit-learn.

```
[31]: imputer.fit(X_train)
```

[31]: SimpleImputer()

```
[32]: # Check your work check_is_fitted(imputer)
```

Here's where transformers diverge from predictors. Instead of using a method like predict, we use the transform method. This is the step where the transformer fills in the missing values with the means it's calculated.

```
[33]: VimeoVideo("656748527", h="d76e63760c", width=600)
```

[33]: <IPython.lib.display.VimeoVideo at 0x7f111c58b8b0>

Task 2.2.14: Use your imputer to transform the feature matrix X\_train. Assign the transformed data to the variable XT\_train.

• Transform data using a transformer in scikit-learn.

```
[34]: XT_train = imputer.transform(X_train)
      pd.DataFrame(XT_train, columns=X_train.columns).info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 2658 entries, 0 to 2657
     Data columns (total 2 columns):
          Column Non-Null Count Dtype
      0
                  2658 non-null
                                  float64
          lon
                  2658 non-null
      1
          lat
                                  float64
     dtypes: float64(2)
     memory usage: 41.7 KB
```

```
[35]: # Check your work

assert XT_train.shape == (2658, 2), f"`XT_train` is the wrong shape: {XT_train.

→shape}"

assert (

np.isnan(XT_train).sum() == 0
), "Your feature matrix still has `NaN` values. Did you forget to transform is

→using `imputer`?"
```

Okay! Our data is free of missing values, and we have a good sense for how predictors work in scikit-learn. However, the truth is you'll rarely do data transformations this way. Why? A model may require multiple transformers, and doing all those transformations one-by-one is slow and likely

to lead to errors. Instead, we can combine our transformer and predictor into a single object called a pipeline.

```
[36]: VimeoVideo("656748360", h="50b4643a26", width=600)
```

[36]: <IPython.lib.display.VimeoVideo at 0x7f1119c1d970>

Task 2.2.15: Create a pipeline named model that contains a SimpleImputer transformer followed by a LinearRegression predictor.

- What's a pipeline?
- Create a pipeline in scikit-learn.

```
[39]: assert isinstance(model, Pipeline), "Did you instantiate your model?"
```

With our pipeline assembled, we use the fit method, which will train the transformer, transform the data, then pass the transformed data to the predictor for training, all in one step. Much easier!

```
[40]: VimeoVideo("656748234", h="59ba7958d5", width=600)
```

[40]: <IPython.lib.display.VimeoVideo at 0x7f1117584a60>

Task 2.2.16: Fit your model to the data, X\_train and y\_train.

• Fit a model to training data in scikit-learn.

```
[41]: model.fit(X_train, y_train)
```

```
[42]: # Check your work check_is_fitted(model["linearregression"])
```

Success! Let's see how our trained model performs.

#### 2.3 Evaluate

As always, we'll start by evaluating our model's performance on the training data.

```
[43]: VimeoVideo("656748155", h="5672ef44cb", width=600)
```

[43]: <IPython.lib.display.VimeoVideo at 0x7f1117584610>

Task 2.2.17: Using your model's predict method, create a list of predictions for the observations in your feature matrix X\_train. Name this list y\_pred\_training.

• Generate predictions using a trained model in scikit-learn.

```
[44]: y_pred_training = model.predict(X_train)

[45]: # Check your work
   assert y_pred_training.shape == (2658,)

[46]: VimeoVideo("656748205", h="13144556a6", width=600)
```

[46]: <IPython.lib.display.VimeoVideo at 0x7f111761ffa0>

Task 2.2.18: Calculate the training mean absolute error for your predictions in y\_pred\_training as compared to the true targets in y\_train.

• Calculate the mean absolute error for a list of predictions in scikit-learn.

```
[47]: mae_training = mean_absolute_error(y_train, y_pred_training)
print("Training MAE:", round(mae_training, 2))
```

Training MAE: 42962.72

It looks like our model performs a little better than the baseline. This suggests that latitude and longitude aren't as strong predictors of price as size is.

Now let's check our test performance. Remember, once we test our model, there's no more iteration allowed.

Task 2.2.19: Run the code below to import your test data buenos-aires-test-features.csv into a DataFrame and generate a Series of predictions using your model. Then run the following cell to submit your predictions to the grader.

- What's generalizability?
- Generate predictions using a trained model in scikit-learn.
- Calculate the mean absolute error for a list of predictions in scikit-learn.

2 130231.628267 3 102497.549527 4 123482.077850

dtype: float64

```
[49]: wqet_grader.grade("Project 2 Assessment", "Task 2.2.19", y_pred_test)
```

<IPython.core.display.HTML object>

Again, we want our test performance to be about the same as our training performance, but it's OK if it's not quite as good.

#### 3 Communicate Results

Let's take a look at the equation our model has come up with for predicting price based on latitude and longitude. We'll need to expand on our formula to account for both features.

```
[50]: VimeoVideo("656747630", h="b90db6b373", width=600)
```

[50]: <IPython.lib.display.VimeoVideo at 0x7f111761ff70>

Task 2.2.20: Extract the intercept and coefficients for your model.

- What's an intercept in a linear model?
- What's a coefficient in a linear model?
- Access an object in a pipeline in scikit-learn.

[52]: array([196709.42, 765466.58])

Task 2.2.21: Complete the code below and run the cell to print the equation that your model has determined for predicting apartment price based on latitude and longitude.

• What's an f-string?

```
[55]: print(

f"price = {intercept} + ({coefficients[0]} * longitude) +

→({coefficients[1]} * latitude)"

)
```

```
price = 38113587.05 + (196709.42 * longitude) + (765466.58 * latitude)
```

What does this equation tell us? As you move north and west, the predicted apartment price increases.

At the start of the notebook, you thought about how we would represent our linear model in a 3D plot. If you guessed that we would use a plane, you're right!

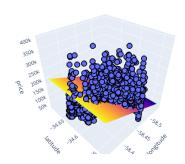
```
[54]: VimeoVideo("656746928", h="71bfe94764", width=600)
```

[54]: <IPython.lib.display.VimeoVideo at 0x7f1114d25130>

Task 2.2.22: Complete the code below to create a 3D scatter plot, with "lon" on the x-axis, "lat" on the y-axis, and "price\_aprox\_usd" on the z-axis.

- What's a scatter plot?
- Create a 3D scatter plot in plotly express.

```
[56]: # Create 3D scatter plot
      fig = px.scatter_3d(
          df,
          x="lon",
          y="lat",
          z="price_aprox_usd",
          labels={"lon": "longitude", "lat": "latitude", "price_aprox_usd": "price"},
          width=600,
         height=500,
      )
      # Create x and y coordinates for model representation
      x_plane = np.linspace(df["lon"].min(), df["lon"].max(), 10)
      y_plane = np.linspace(df["lat"].min(), df["lat"].max(), 10)
      xx, yy = np.meshgrid(x_plane, y_plane)
      # Use model to predict z coordinates
      z_plane = model.predict(pd.DataFrame({"lon": x_plane, "lat": y_plane}))
      zz = np.tile(z_plane, (10, 1))
      # Add plane to figure
      fig.add_trace(go.Surface(x=xx, y=yy, z=zz))
      # Refine formatting
      fig.update_traces(
          marker={"size": 4, "line": {"width": 2, "color": "DarkSlateGrey"}},
          selector={"mode": "markers"},
      # Display figure
      fig.show()
```



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