# 023-price-and-neighborhood

April 13, 2022

Predicting Price with Neighborhood

```
[54]: import warnings
    from glob import glob

import matplotlib.pyplot as plt
    import numpy as np
    import pandas as pd
    import wqet_grader
    from category_encoders import OneHotEncoder
    from IPython.display import VimeoVideo
    from sklearn.linear_model import LinearRegression, Ridge # noqa F401
    from sklearn.metrics import mean_absolute_error
    from sklearn.pipeline import 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 the last lesson, we created a model that used location — represented by latitude and longitude — to predict price. In this lesson, we're going to use a different representation for location: neighborhood.

```
[55]: VimeoVideo("656790491", h="6325554e55", width=600)
```

[55]: <IPython.lib.display.VimeoVideo at 0x7fd305104d30>

# 1 Prepare Data

# 1.1 Import

```
[56]: 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</pre>
  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" column
  df[["lat", "lon"]] = df["lat-lon"].str.split(",", expand=True).astype(float)
  df.drop(columns="lat-lon", inplace=True)
   #Extract Neighbourhood
  df["neighborhood"] = df["place_with_parent_names"].str.split("|",__
→expand=True)[3]
  df.drop(columns="place_with_parent_names", inplace=True)
  return df
```

In the last lesson, we used our wrangle function to import two CSV files as DataFrames. But what if we had hundreds of CSV files to import? Wrangling them one-by-one wouldn't be an option. So let's start with a technique for reading several CSV files into a single DataFrame.

The first step is to gather the names of all the files we want to import. We can do this using pattern matching.

```
[57]: VimeoVideo("656790237", h="1502e3765a", width=600)
```

[57]: <IPython.lib.display.VimeoVideo at 0x7fd304e1c460>

Task 2.3.1: Use glob to create a list that contains the filenames for all the Buenos Aires real estate CSV files in the data directory. Assign this list to the variable name files.

• Assemble a list of path names that match a pattern in glob.

The next step is to read each of the CSVs in files into a DataFrame, and put all of those DataFrames into a list. What's a good way to iterate through files so we can do this? A for loop!

```
[60]: VimeoVideo("656789768", h="3b8f3bca0b", width=600)
```

[60]: <IPython.lib.display.VimeoVideo at 0x7fd304e002b0>

Task 2.3.2: Use your wrangle function in a for loop to create a list named frames. The list should the cleaned DataFrames created from the CSV filenames your collected in files.

- What's a for loop?
- Write a for loop in Python.

```
[61]: frames = []
      for file in files:
          df = wrangle(file)
          #print(df.shape)
          frames.append(df)
```

```
[62]: #len(frames)
      #type(frames[0])
      frames[0].head()
```

```
[62]:
         operation property_type
                                        price currency
                                                         price_aprox_local_currency
                                                                           3259916.00
      2
              sell
                        apartment
                                     215000.0
                                                    USD
      9
               sell
                        apartment
                                     341550.0
                                                    USD
                                                                           5178717.72
      12
              sell
                        apartment
                                    1386000.0
                                                    ARS
                                                                           1382153.13
      13
               sell
                        apartment
                                     105000.0
                                                    USD
                                                                           1592052.00
      17
               sell
                        apartment
                                      89681.0
                                                    USD
                                                                           1359779.19
                             surface_total_in_m2
                                                   surface_covered_in_m2
          price_aprox_usd
      2
                 215000.00
                                             40.0
                                                                      35.0
      9
                 341550.00
                                              NaN
                                                                     90.0
                                                                     33.0
      12
                  91156.62
                                             39.0
      13
                 105000.00
                                              NaN
                                                                     33.0
      17
                  89681.00
                                             46.0
                                                                     39.0
          price_usd_per_m2 price_per_m2
                                                            expenses
                                            floor
                                                    rooms
      2
                5375.000000
                               6142.857143
                                               NaN
                                                              3500.0
                                                       1.0
      9
                               3795.000000
                        NaN
                                               8.0
                                                      2.0
                                                                 NaN
      12
                2337.349231
                             42000.000000
                                               NaN
                                                      NaN
                                                                 NaN
      13
                               3181.818182
                                               1.0
                                                      1.0
                                                                 NaN
                        NaN
      17
                1949.586957
                               2299.512821
                                               NaN
                                                      1.0
                                                              1500.0
```

properati\_url http://recoleta.properati.com.ar/12j4v\_venta\_d... -34.588993 -58.400133 2

lat

lon \

```
9
   http://recoleta.properati.com.ar/100t0_venta_d... -34.588044 -58.398066
12 http://monserrat.properati.com.ar/t051_venta_d... -34.623320 -58.397461
13 http://belgrano.properati.com.ar/zsd5_venta_de... -34.553897 -58.451939
   http://villa-del-parque.properati.com.ar/12q2f... -34.628813 -58.472230
        neighborhood
2
            Recoleta
9
            Recoleta
           Monserrat
12
            Belgrano
13
   Villa del Parque
17
```

```
[63]: # Check your work
assert len(frames) == 5, f"`frames` should contain 5 items, not {len(frames)}"
assert all(
    [isinstance(frame, pd.DataFrame) for frame in frames]
), "The items in `frames` should all be DataFrames."
```

The final step is to use pandas to combine all the DataFrames in frames.

```
[64]: VimeoVideo("656789700", h="57adef4afe", width=600)
```

[64]: <IPython.lib.display.VimeoVideo at 0x7fd305105ee0>

Task 2.3.3: Use pd.concat to concatenate the items in frames into a single DataFrame df. Make sure you set the ignore\_index argument to True.

• Concatenate two or more DataFrames using pandas.

```
[65]: df = pd.concat(frames, ignore_index=True)
#df.head()
df.shape
```

```
[65]: (6582, 17)
```

```
[66]: # Check your work
assert len(df) == 6582, f"`df` is the wrong size: {len(df)}."
```

Excellent work! You can now clean and combine as many CSV files as your computer can handle. You're well on your way to working with big data.

#### 1.2 Explore

Looking through the output from the df.head() call above, there's a little bit more cleaning we need to do before we can work with the neighborhood information in this dataset. The good news is that, because we're using a wrangle function, we only need to change the function to re-clean all of our CSV files. This is why functions are so useful.

```
[67]: VimeoVideo("656791659", h="581201dc92", width=600)
```

[67]: <IPython.lib.display.VimeoVideo at 0x7fd304e08520>

```
df.head()
[68]:
[68]:
                                                        price_aprox_local_currency
        operation property_type
                                       price currency
      0
              sell
                       apartment
                                    215000.0
                                                   USD
                                                                         3259916.00
                                                   USD
      1
              sell
                       apartment
                                    341550.0
                                                                          5178717.72
      2
              sell
                       apartment
                                   1386000.0
                                                   ARS
                                                                          1382153.13
      3
              sell
                                    105000.0
                                                   USD
                                                                          1592052.00
                       apartment
              sell
                                                   USD
                                                                          1359779.19
                       apartment
                                     89681.0
                                                  surface_covered_in_m2
         price_aprox_usd
                           surface_total_in_m2
      0
               215000.00
                                                                    35.0
                                                                    90.0
      1
               341550.00
                                            NaN
      2
                                           39.0
                                                                    33.0
                 91156.62
      3
                105000.00
                                            NaN
                                                                    33.0
                 89681.00
                                           46.0
                                                                    39.0
         price_usd_per_m2
                            price_per_m2
                                                   rooms expenses
                                           floor
      0
               5375.000000
                             6142.857143
                                              NaN
                                                     1.0
                                                           3500.0
                              3795.000000
                                              8.0
                                                     2.0
      1
                       NaN
                                                               NaN
      2
               2337.349231
                            42000.000000
                                              NaN
                                                     NaN
                                                               NaN
      3
                       NaN
                              3181.818182
                                              1.0
                                                     1.0
                                                               NaN
      4
               1949.586957
                              2299.512821
                                              NaN
                                                     1.0
                                                            1500.0
                                                properati_url
                                                                      lat
        http://recoleta.properati.com.ar/12j4v_venta_d... -34.588993 -58.400133
      1 http://recoleta.properati.com.ar/100t0_venta_d... -34.588044 -58.398066
      2 http://monserrat.properati.com.ar/t05l_venta_d... -34.623320 -58.397461
      3 http://belgrano.properati.com.ar/zsd5_venta_de... -34.553897 -58.451939
      4 http://villa-del-parque.properati.com.ar/12q2f... -34.628813 -58.472230
             neighborhood
      0
                  Recoleta
      1
                  Recoleta
      2
                 Monserrat
      3
                  Belgrano
         Villa del Parque
```

Task 2.3.4: Modify your wrangle function to create a new feature "neighborhood". You can find the neighborhood for each property in the "place\_with\_parent\_names" column. For example, a property with the place name "|Argentina|Capital Federal|Palermo|" is located in the neighborhood is "Palermo". Also, your function should drop the "place\_with\_parent\_names" column.

Be sure to rerun all the cells above before you continue.

• Split the strings in one column to create another using pandas.

```
[69]: # Check your work
assert df.shape == (6582, 17), f"`df` is the wrong size: {df.shape}."
assert (
        "place_with_parent_names" not in df
), 'Remember to remove the `"place_with_parent_names"` column.'
```

### 1.3 Split

At this point, you should feel more comfortable with the splitting data, so we're going to condense the whole process down to one task.

```
[70]: VimeoVideo("656791577", h="0ceb5341f8", width=600)
```

[70]: <IPython.lib.display.VimeoVideo at 0x7fd304e082e0>

Task 2.3.5: Create your feature matrix X\_train and target vector y\_train. X\_train should contain one feature: "neighborhood". Your target is "price\_aprox\_usd".

- What's a feature matrix?
- What's a target vector?
- Subset a DataFrame by selecting one or more columns in pandas.
- Select a Series from a DataFrame in pandas.

```
[71]: target = "price_aprox_usd"
  features = ["neighborhood"]
  y_train = df[target]
  X_train = df[features]
```

```
[72]: # Check your work

assert X_train.shape == (6582, 1), f"`X_train` is the wrong size: {X_train.

→shape}."

assert y_train.shape == (6582,), f"`y_train` is the wrong size: {y_train.shape}.

→"
```

## 2 Build Model

#### 2.1 Baseline

Let's also condense the code we use to establish our baseline.

```
[73]: VimeoVideo("656791443", h="120a740cc3", width=600)
```

[73]: <IPython.lib.display.VimeoVideo at 0x7fd3051049d0>

Task 2.3.6: Calculate the baseline mean absolute error for your model.

- What's a performance metric?
- What's mean absolute error?
- Calculate summary statistics for a DataFrame or Series in pandas.

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

```
[74]: y_mean = y_train.mean()
y_pred_baseline = [y_mean] * len(y_train)
print("Mean apt price:", y_mean)

print("Baseline MAE:", mean_absolute_error(y_train, y_pred_baseline))
```

Mean apt price: 132383.83701458527 Baseline MAE: 44860.10834274133

The mean apartment price and baseline MAE should be similar but not identical to last lesson. The numbers will change since we're working with more data.

### 2.2 Iterate

If you try to fit a LinearRegression predictor to your training data at this point, you'll get an error that looks like this:

ValueError: could not convert string to float

What does this mean? When you fit a linear regression model, you're asking scikit-learn to perform a mathematical operation. The problem is that our training set contains neighborhood information in non-numerical form. In order to create our model we need to **encode** that information so that it's represented numerically. The good news is that there are lots of transformers that can do this. Here, we'll use the one from the Category Encoders library, called a OneHotEncoder.

Before we build include this transformer in our pipeline, let's explore how it works.

```
[75]: VimeoVideo("656792790", h="4097efb40d", width=600)
```

[75]: <IPython.lib.display.VimeoVideo at 0x7fd304de6d30>

Task 2.3.7: First, instantiate a OneHotEncoder named ohe. Make sure to set the use\_cat\_names argument to True. Next, fit your transformer to the feature matrix X\_train. Finally, use your encoder to transform the feature matrix X\_train, and assign the transformed data to the variable XT\_train.

- What's one-hot encoding?
- Instantiate a transformer in scikit-learn.
- Fit a transformer to training data in scikit-learn.
- Transform data using a transformer in scikit-learn.

```
[76]: #Instantiate
  ohe = OneHotEncoder(use_cat_names=True)
  #Fit
  ohe.fit(X_train)
  #Transform
  XT_train = ohe.transform(X_train)
  print(XT_train.shape)
  XT_train.head()
```

(6582, 57)

```
[76]:
        0
                                                                       0
                           1
     1
     2
                           0
                                                  1
                                                                       0
     3
                           0
                                                  0
                                                                       1
                           0
                                                  0
                                                                       0
        neighborhood_Villa del Parque neighborhood_Villa Pueyrredón
     0
                                  0
                                                                0
     1
     2
                                  0
                                                                0
     3
                                  0
                                                                0
     4
                                  1
                                                                0
        neighborhood_Almagro neighborhood_Palermo neighborhood_
     0
     1
                          0
                                               0
                                                             0
     2
                          0
                                               0
     3
                          0
                                               0
     4
                          0
        neighborhood_Tribunales neighborhood_Balvanera
     0
                             0
     1
     2
                             0
     3
                             0
     4
        neighborhood_Velez Sarsfield neighborhood_Monte Castro
     0
     1
                                 0
                                                           0
     2
                                 0
                                                           0
     3
                                 0
                                                           0
     4
        neighborhood_Las Cañitas neighborhood_Constitución
     0
                              0
                                                       0
                              0
                                                       0
     1
     2
                              0
                                                       0
     3
                              0
                                                       0
        neighborhood_Parque Avellaneda neighborhood_Villa Soldati
     0
     1
                                    0
                                                              0
```

```
2
                                    0
                                                                   0
3
                                    0
                                                                   0
4
                                    0
                                                                   0
   neighborhood_Villa Real
                              neighborhood_Versalles neighborhood_Pompeya
0
                                                       0
                            0
                                                       0
                                                                                0
1
2
                            0
                                                       0
                                                                                0
3
                            0
                                                       0
                                                                                0
4
                            0
                                                       0
                                                                                0
   neighborhood_Catalinas
0
1
                           0
2
                           0
3
                           0
4
                           0
```

[5 rows x 57 columns]

```
[77]: # Check your work
assert XT_train.shape == (6582, 57), f"`XT_train` is the wrong shape: {XT_train.

→shape}"
```

Now that we have an idea for how the OneHotEncoder works, let's bring it into our pipeline.

```
[78]: VimeoVideo("656792622", h="0b9d189e8f", width=600)
```

[78]: <IPython.lib.display.VimeoVideo at 0x7fd304de62b0>

Task 2.3.8: Create a pipeline named model that contains a OneHotEncoder transformer and a LinearRegression predictor. Then fit your model to the training data.

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

```
[80]: # Check your work check_is_fitted(model[-1])
```

Wow, you just built a model with two transformers and a predictor! When you started this course, did you think you'd be able to do something like that?

### 2.3 Evaluate

Regardless of how you build your model, the evaluation step stays the same. Let's see how our model performs with the training set.

```
[29]: VimeoVideo("656792525", h="09edc1c3d6", width=600)
```

[29]: <IPython.lib.display.VimeoVideo at 0x7fd3c3aa3c10>

Task 2.3.9: First, create a list of predictions for the observations in your feature matrix X\_train. Name this list y\_pred\_training. Then calculate the training mean absolute error for your predictions in y\_pred\_training as compared to the true targets in y\_train.

- Generate predictions using a trained model in scikit-learn.
- Calculate the mean absolute error for a list of predictions in scikit-learn.

```
[81]: y_pred_training = model.predict(X_train)
mae_training = mean_absolute_error(y_train, y_pred_training)
print("Training MAE:", round(mae_training, 2))
```

Training MAE: 39350.22

Now let's check our test performance.

Task 2.3.10: 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.

```
[82]: X_test = pd.read_csv("data/buenos-aires-test-features.csv")[features]
y_pred_test = pd.Series(model.predict(X_test))
y_pred_test.head()
```

- [82]: 0 246624.694624
  - 1 161355.968734
  - 2 98232.051308
  - 3 110846.030377
  - 4 127777.538197

dtype: float64

```
[83]: wqet_grader.grade("Project 2 Assessment", "Task 2.3.10", y_pred_test)
```

<IPython.core.display.HTML object>

## 3 Communicate Results

If we write out the equation for our model, it'll be too big to fit on the screen. That's because, when we used the OneHotEncoder to encode the neighborhood data, we created a much wider DataFrame, and each column/feature has it's own coefficient in our model's equation.

This is important to keep in mind for two reasons. First, it means that this is a **high-dimensional** model. Instead of a 2D or 3D plot, we'd need a 58-dimensional plot to represent it, which is impossible! Second, it means that we'll need to extract and represent the information for our equation a little differently than before. Let's start by getting our intercept and coefficient.

```
[32]: VimeoVideo("656793909", h="fca67856b4", width=600)
```

[32]: <IPython.lib.display.VimeoVideo at 0x7fd312092d00>

Task 2.3.11: 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.

```
[84]: intercept = model.named_steps["ridge"].intercept_
    coefficients = model.named_steps["ridge"].coef_
    print("coefficients len:", len(coefficients))
    print(coefficients[:5]) # First five coefficients
```

```
coefficients len: 57
[ 72740.78075636 -20292.59601283 46954.20800905 -12595.50084744 -8093.45014804]
```

```
[85]: # Check your work
    assert isinstance(
        intercept, float
    ), f"`intercept` should be a `float`, not {type(intercept)}."
    assert isinstance(
        coefficients, np.ndarray
    ), f"`coefficients` should be a `float`, not {type(coefficients)}."
    assert coefficients.shape == (
        57,
    ), f"`coefficients` is wrong shape: {coefficients.shape}."
```

We have the values of our coefficients, but how do we know which features they belong to? We'll need to get that information by going into the part of our pipeline that did the encoding.

```
[37]: VimeoVideo("656793812", h="810161b84e", width=600)
```

[37]: <IPython.lib.display.VimeoVideo at 0x7fd3c2642100>

Task 2.3.12: Extract the feature names of your encoded data from the OneHotEncoder in your model.

• Access an object in a pipeline in scikit-learn.

```
[86]: feature_names = model.named_steps["onehotencoder"].get_feature_names()
print("features len:", len(feature_names))
print(feature_names[:5]) # First five feature names
```

features len: 57
['neighborhood\_Recoleta', 'neighborhood\_Monserrat', 'neighborhood\_Belgrano',
'neighborhood\_Villa del Parque', 'neighborhood\_Villa Pueyrredón']

```
[87]: # Check your work
assert isinstance(
    feature_names, list
), f"`features` should be a `list`, not {type(features)}."
assert len(feature_names) == len(
    coefficients
), "You should have the same number of features and coefficients."
```

We have coefficients and feature names, and now we need to put them together. For that, we'll use a Series.

```
[42]: VimeoVideo("656793718", h="1e2a1e1de8", width=600)
```

[42]: <IPython.lib.display.VimeoVideo at 0x7fd30682b6a0>

Task 2.3.13: Create a pandas Series named feat\_imp where the index is your features and the values are your coefficients.

• Create a Series in pandas.

```
[88]: feat_imp = pd.Series(coefficients, index=feature_names)
feat_imp.head()
```

```
[88]: neighborhood_Recoleta 72740.780756
neighborhood_Monserrat -20292.596013
neighborhood_Belgrano 46954.208009
neighborhood_Villa del Parque -12595.500847
neighborhood_Villa Pueyrredón -8093.450148
dtype: float64
```

```
[89]: # Check your work
assert isinstance(
    feat_imp, pd.Series
), f"`feat_imp` should be a `float`, not {type(feat_imp)}."
assert feat_imp.shape == (57,), f"`feat_imp` is wrong shape: {feat_imp.shape}."
assert all(
    a == b for a, b in zip(sorted(feature_names), sorted(feat_imp.index))
), "The index of `feat_imp` should be identical to `features`."
```

To be clear, it's definitely not a good idea to show this long equation to an audience, but let's print it out just to check our work. Since there are so many terms to print, we'll use a for loop.

```
[46]: VimeoVideo("656797021", h="dc90e6dac3", width=600)
```

[46]: <IPython.lib.display.VimeoVideo at 0x7fd3c26edd90>

Task 2.3.14: Run the cell below to print the equation that your model has determined for predicting apartment price based on longitude and latitude.

```
• What's an f-string?
[90]: print(f"price = {intercept.round(2)}")
      for f, c in feat_imp.items():
          print(f"+ ({round(c, 2)} * {f})")
     price = 118524.65
     + (72740.78 * neighborhood_Recoleta)
     + (-20292.6 * neighborhood_Monserrat)
     + (46954.21 * neighborhood_Belgrano)
     + (-12595.5 * neighborhood_Villa del Parque)
     + (-8093.45 * neighborhood_Villa Pueyrredón)
     + (2903.34 * neighborhood_Almagro)
     + (45934.41 * neighborhood Palermo)
     + (-19370.74 * neighborhood_)
     + (-7818.09 * neighborhood Tribunales)
     + (-11172.55 * neighborhood_Balvanera)
     + (55590.93 * neighborhood_Barrio Norte)
     + (-3230.37 * neighborhood Once)
     + (5638.47 * neighborhood_San Telmo)
     + (-48669.35 * neighborhood_Villa Lugano)
     + (12223.11 * neighborhood_Coghlan)
     + (-4618.66 * neighborhood_Barracas)
     + (12671.71 * neighborhood_Villa Urquiza)
     + (4330.55 * neighborhood_Abasto)
     + (6277.05 * neighborhood_Villa Crespo)
     + (-19843.92 * neighborhood_Villa Santa Rita)
     + (38436.33 * neighborhood_Colegiales)
     + (-7108.23 * neighborhood Paternal)
     + (9252.89 * neighborhood_Caballito)
     + (-7678.62 * neighborhood_Parque Chacabuco)
     + (27042.61 * neighborhood_Retiro)
     + (3860.58 * neighborhood_Villa Devoto)
     + (-6.3 * neighborhood Villa Luro)
     + (-10734.35 * neighborhood_San Nicolás)
     + (14701.16 * neighborhood_Saavedra)
     + (-8662.28 * neighborhood_Flores)
     + (-7905.29 * neighborhood_Centro / Microcentro)
     + (-13729.1 * neighborhood_Liniers)
```

```
+ (-10678.63 * neighborhood_San Cristobal)
+ (-28353.36 * neighborhood_Boca)
+ (-7974.66 * neighborhood_Congreso)
+ (-6323.68 * neighborhood_Parque Centenario)
+ (-32439.87 * neighborhood Parque Chas)
+ (42831.32 * neighborhood Nuñez)
+ (-15807.01 * neighborhood Parque Patricios)
+ (-6837.4 * neighborhood_Boedo)
+ (-14088.02 * neighborhood_Floresta)
+ (-21078.78 * neighborhood_Mataderos)
+ (128100.05 * neighborhood_Puerto Madero)
+ (7714.62 * neighborhood_Villa General Mitre)
+ (-772.7 * neighborhood_Agronomía)
+ (-11208.9 * neighborhood_Villa Ortuzar)
+ (-2898.96 * neighborhood_Chacarita)
+ (-27219.72 * neighborhood_Velez Sarsfield)
+ (-3427.44 * neighborhood_Monte Castro)
+ (72270.21 * neighborhood_Las Cañitas)
+ (-41748.73 * neighborhood_Constitución)
+ (-29585.61 * neighborhood Parque Avellaneda)
+ (-59248.81 * neighborhood_Villa Soldati)
+ (-7393.49 * neighborhood Villa Real)
+ (-4937.21 * neighborhood_Versalles)
+ (-43909.59 * neighborhood_Pompeya)
+ (-22012.32 * neighborhood_Catalinas)
```

Warning: In the first lesson for this project, we said that you shouldn't make any changes to your model after you see your test metrics. That's still true. However, we're breaking that rule here so that we can discuss overfitting. In future lessons, you'll learn how to protect against overfitting without checking your test set.

```
[52]: VimeoVideo("656799309", h="a7130deb64", width=600)
```

[52]: <IPython.lib.display.VimeoVideo at 0x7fd306f80ca0>

Task 2.3.15: Scroll up, change the predictor in your model to Ridge, and retrain it. Then evaluate the model's training and test performance. Do you still have an overfitting problem? If not, extract the intercept and coefficients again (you'll need to change your code a little bit) and regenerate the model's equation. Does it look different than before?

- What's overfitting?
- What's regularization?
- What's ridge regression?

```
[93]: # Check your work
assert isinstance(
    model[-1], Ridge
), "Did you retrain your model using a `Ridge` predictor?"
```

We're back on track with our model, so let's create a visualization that will help a non-technical audience understand what the most important features for our model in predicting apartment price.

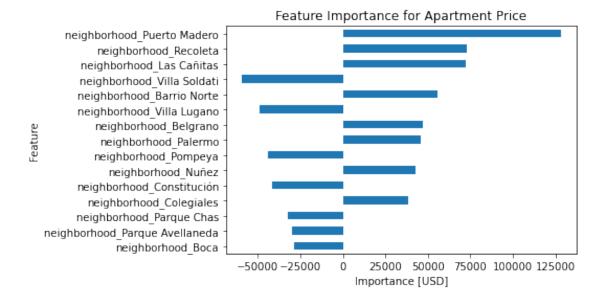
```
[92]: VimeoVideo("656798530", h="9a9350eff1", width=600)
```

[92]: <IPython.lib.display.VimeoVideo at 0x7fd304e000d0>

Task 2.3.16: Create a horizontal bar chart that shows the top 15 coefficients for your model, based on their absolute value.

- What's a bar chart?
- Create a bar chart using pandas.

```
[95]: feat_imp.sort_values(key=abs).tail(15).plot(kind="barh")
    plt.xlabel("Importance [USD]")
    plt.ylabel("Feature")
    plt.title("Feature Importance for Apartment Price");
```



Looking at this bar chart, we can see that the poshest neighborhoods in Buenos Aires like Puerto Madero and Recoleta increase the predicted price of an apartment, while more working-class neighborhoods like Villa Soldati and Villa Lugano decrease the predicted price.

Just for fun, check out this song by Kevin Johansen about Puerto Madero.

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