

Mini Project Report
On
BOSTAN HOUSING PRICE

Submitted in partial fulfillment of the requirements of the degree of
Bachelor of Engineering

By

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2020-2021



Bharati Vidyapeeth College of Engineering, Navi Mumbai
Department of Information Technology

CERTIFICATE

This is to certify that,

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Apeksha Sable [57]

*Class- BEIT Semester-VIII have completed the Mini Project **BOSTON HOUSING PRICE** of the Course **R Programming Lab** Satisfactorily in the Department of Information Technology, as prescribed by the Mumbai University in the academic year 2020-2021.*

Prof. Sonali Mhatre
Subject Incharge

Prof. H.B.Sale
Head

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INTRODUCTION:

Boston is a database with informations of areas around Boston city, and the median house prices. We will use linear regression to predict the house prices.

DATA:

Data variable and there description.

crim: per capita crime rate by town.

zn: proportion of residential land zoned for lots over 25,000 sq.ft.

indus: proportion of non-retail business acres per town.

chas: Charles River dummy variable (= 1 if tract bounds river; 0 otherwise).

nox: nitrogen oxides concentration (parts per 10 million).

rm: average number of rooms per dwelling.

age: proportion of owner-occupied units built prior to 1940.

dis: weighted mean of distances to five Boston employment centres.

rad: index of accessibility to radial highways.

tax: full-value property-tax rate per \$10,000.

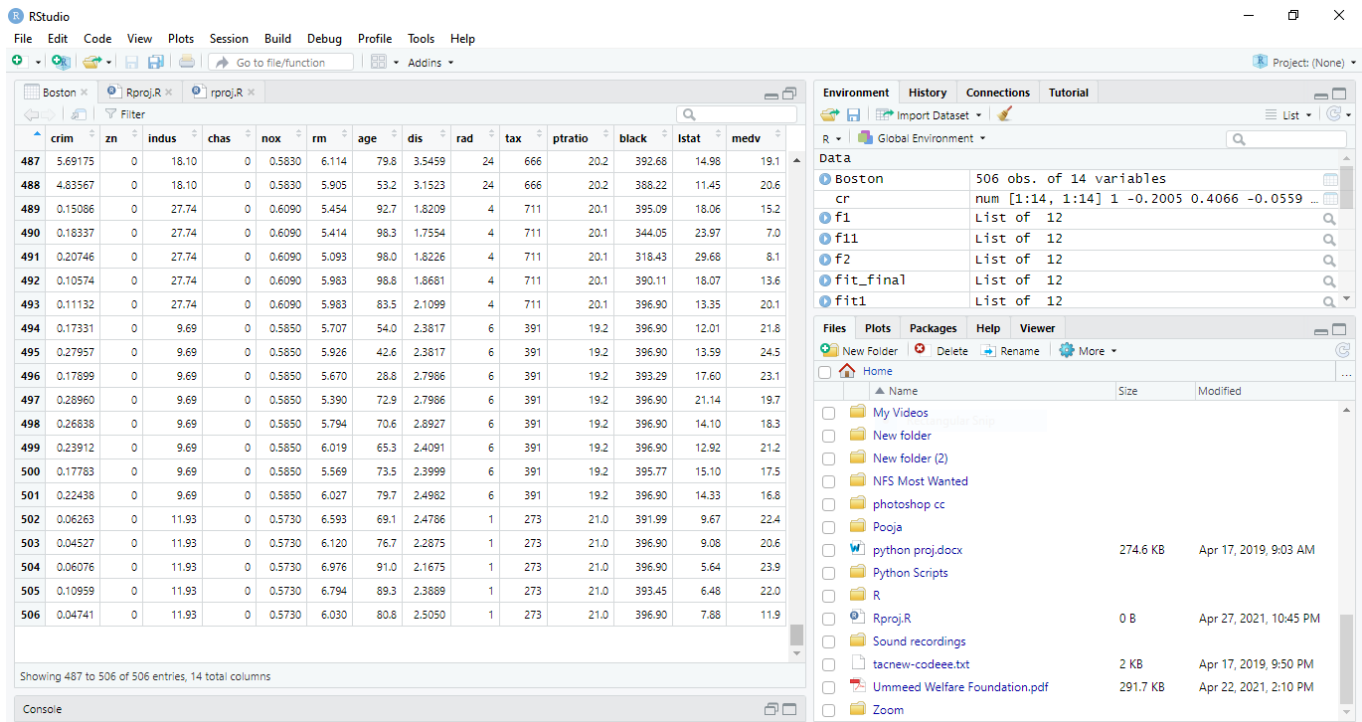
pstratio: pupil-teacher ratio by town.

Black: $1000(Bk-0.63)^2$ where Bk is the proportion of blacks by town.

Lstat: lower status of the population (percent).

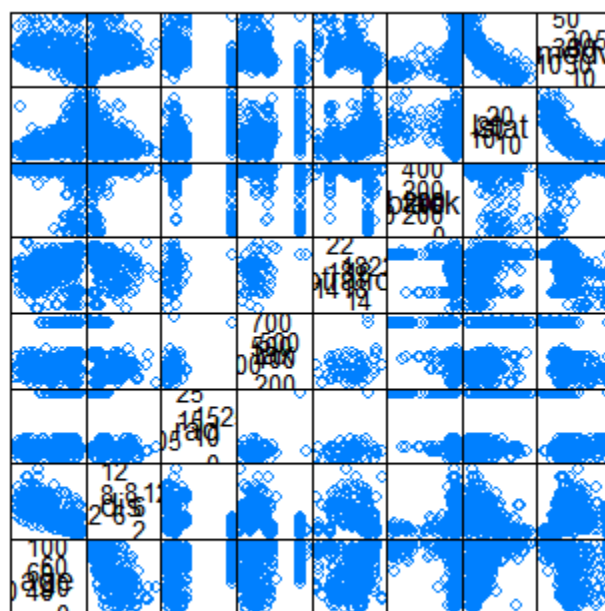
Medv: median value of owner-occupied homes in \$1000s.

We have to take this data and make an easier visual representation of the eligibility process based on details. For this project we will be using the language “R”

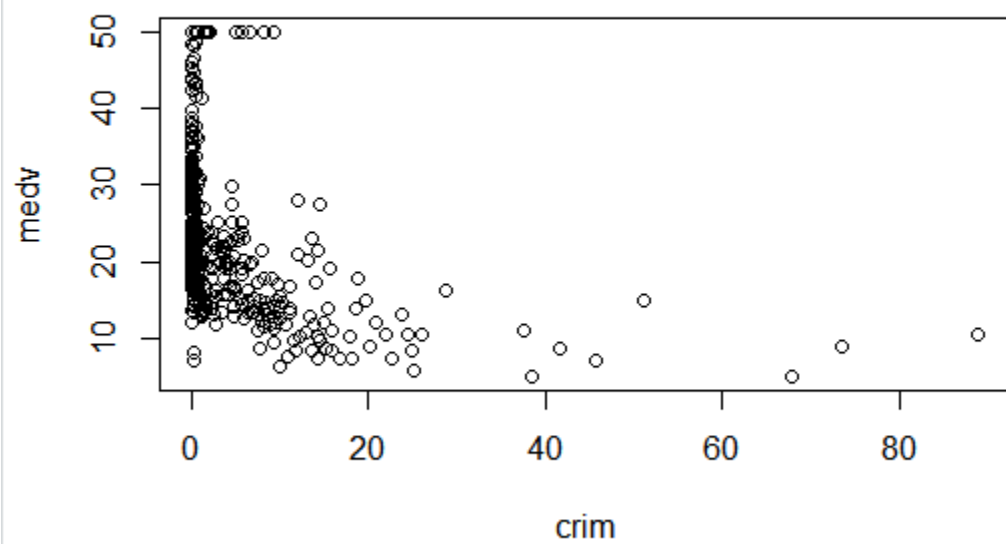
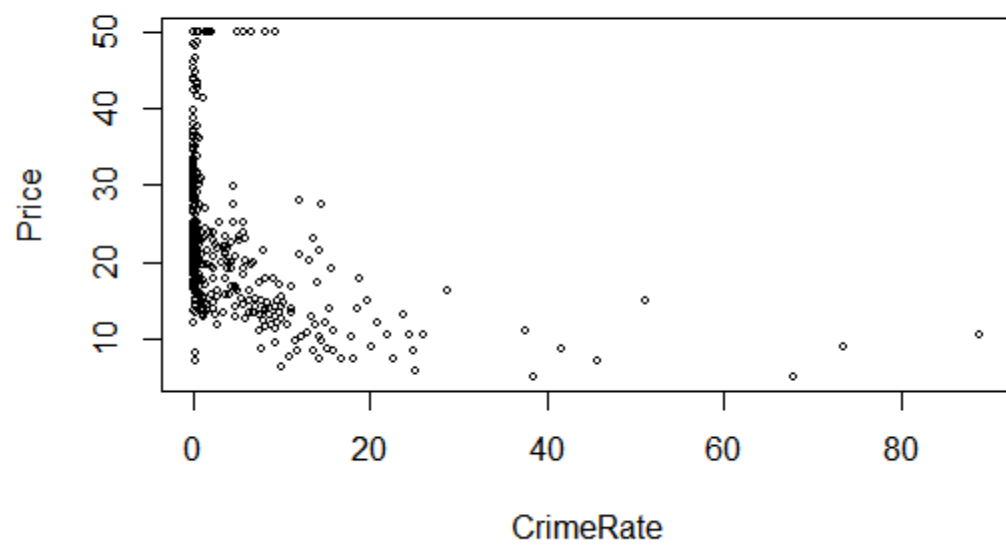


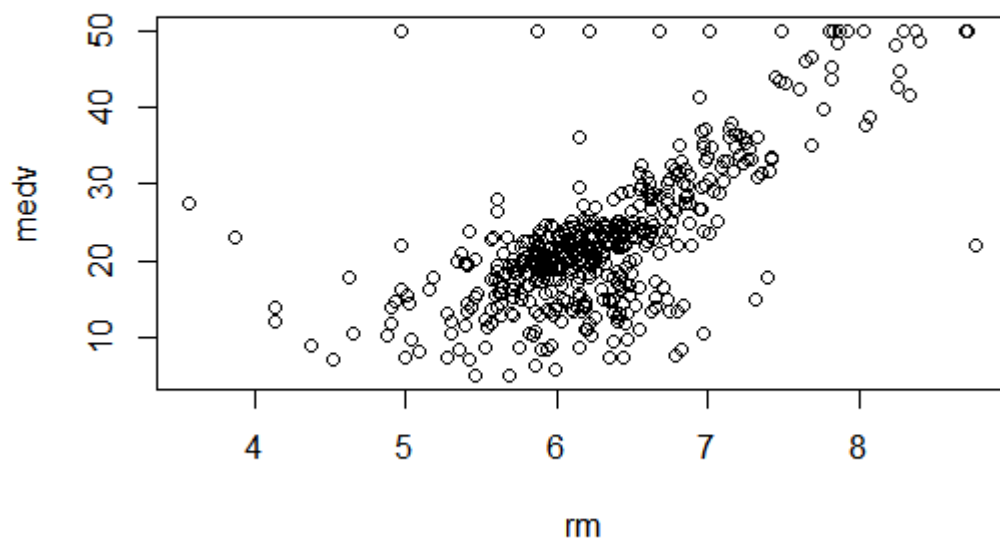
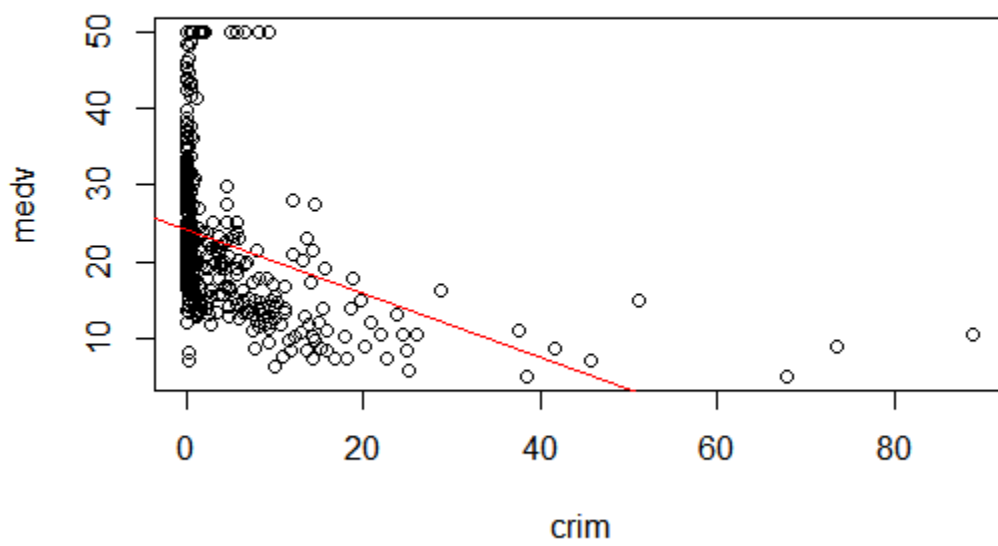
We import this dataset in R Studio in which analysis is performed and proper output is generated. With this dataset we will be visualizing, Plots, Graphs and a Linear Regression algorithm.

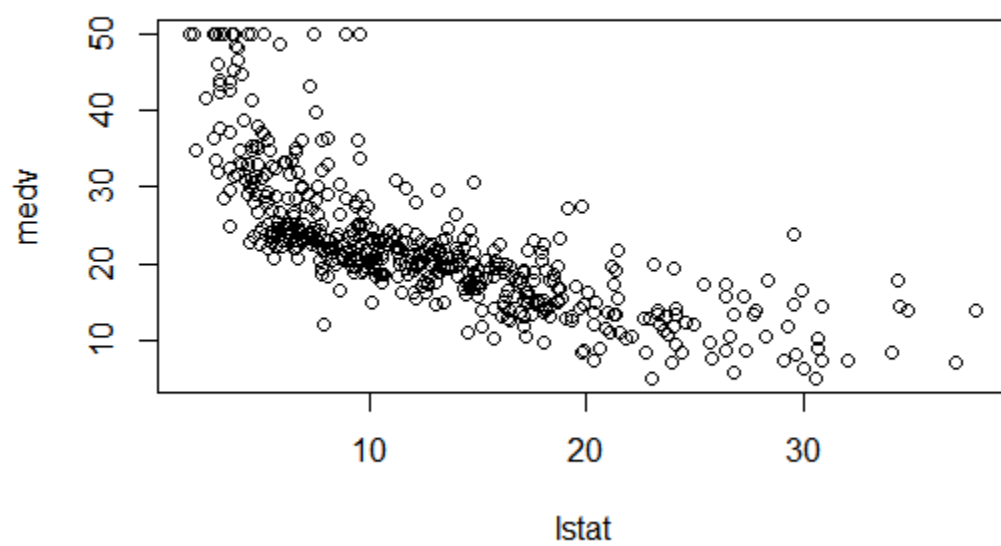
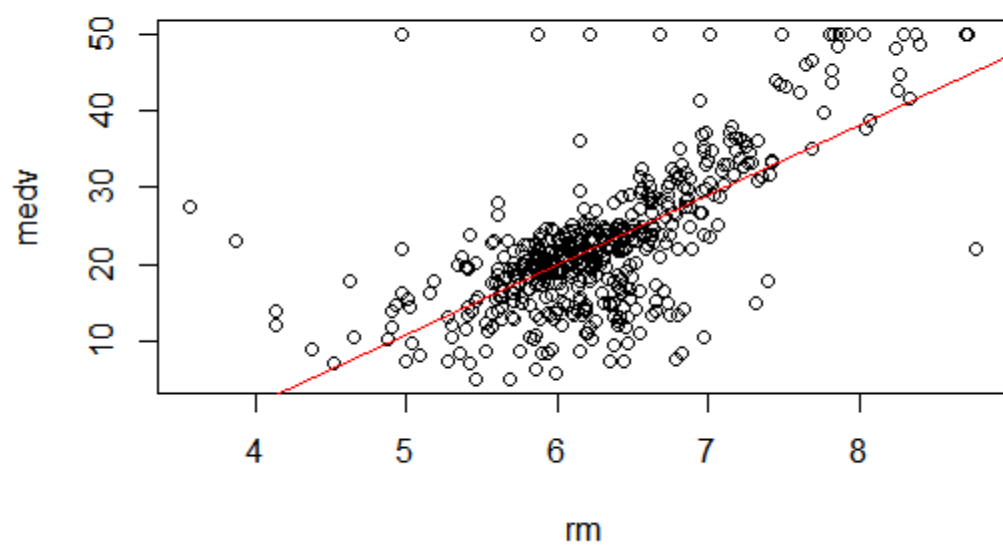
GRAPHICS:

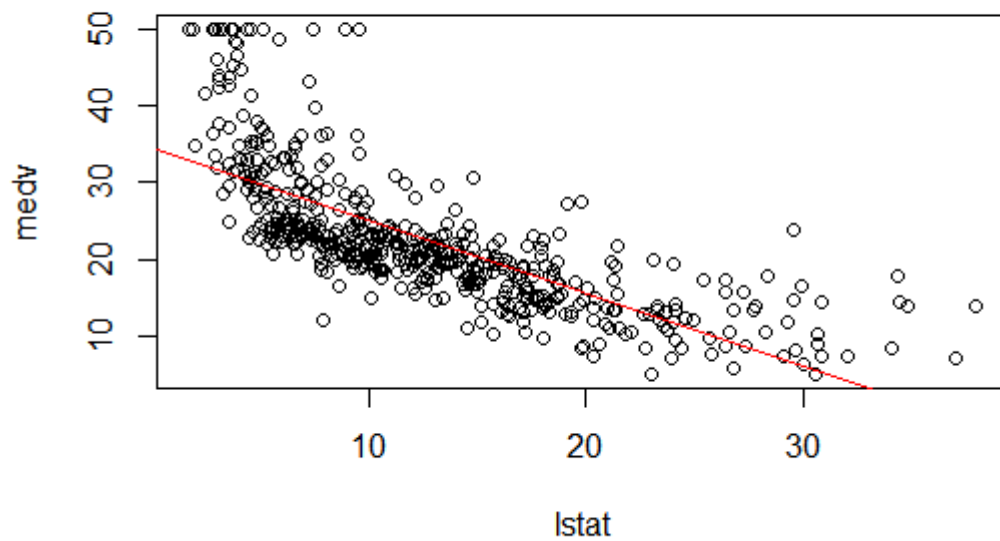


Scatter Plot Matrix

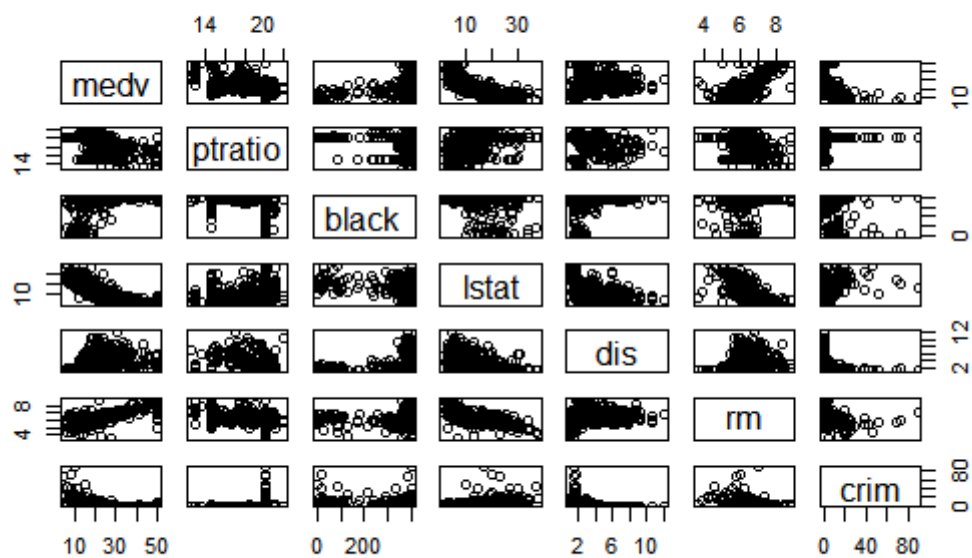


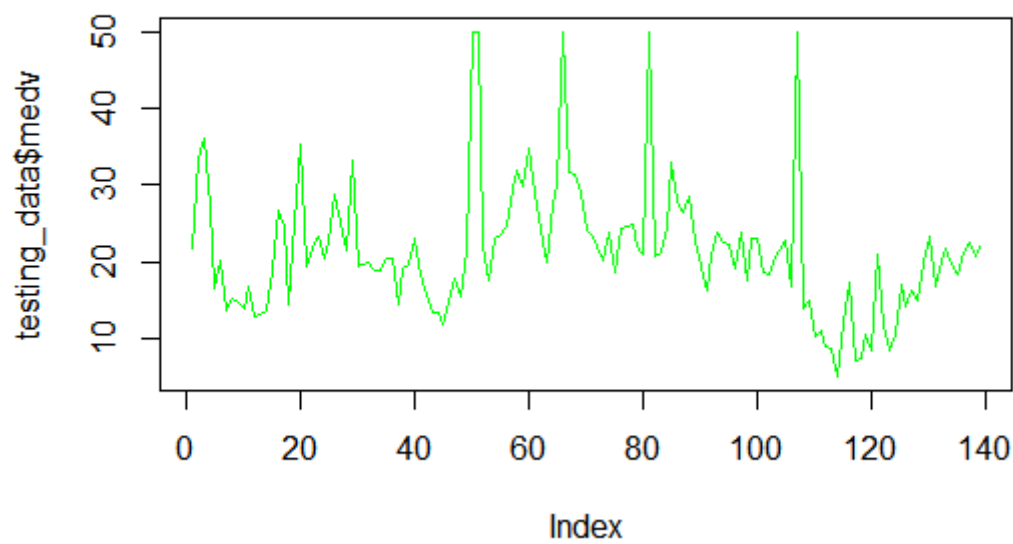
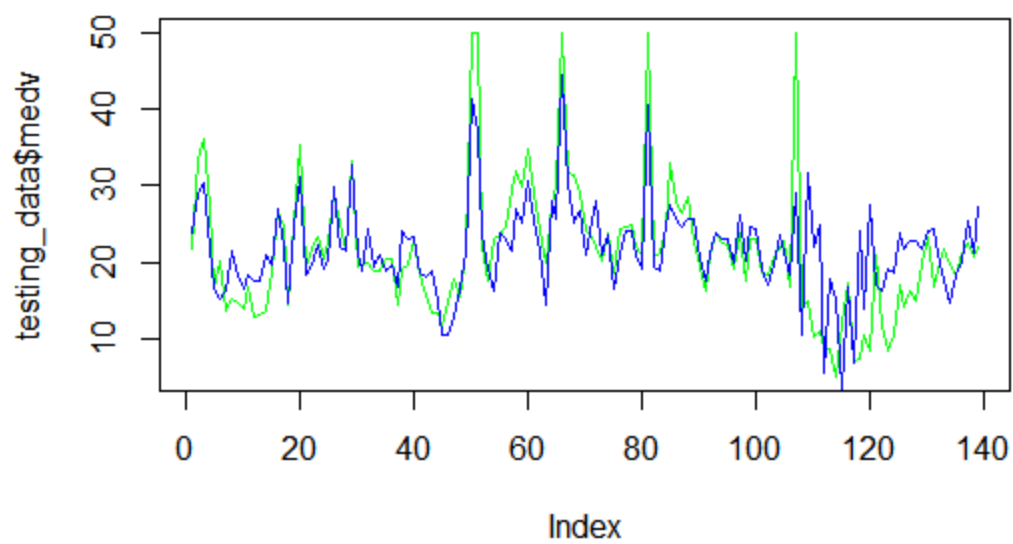


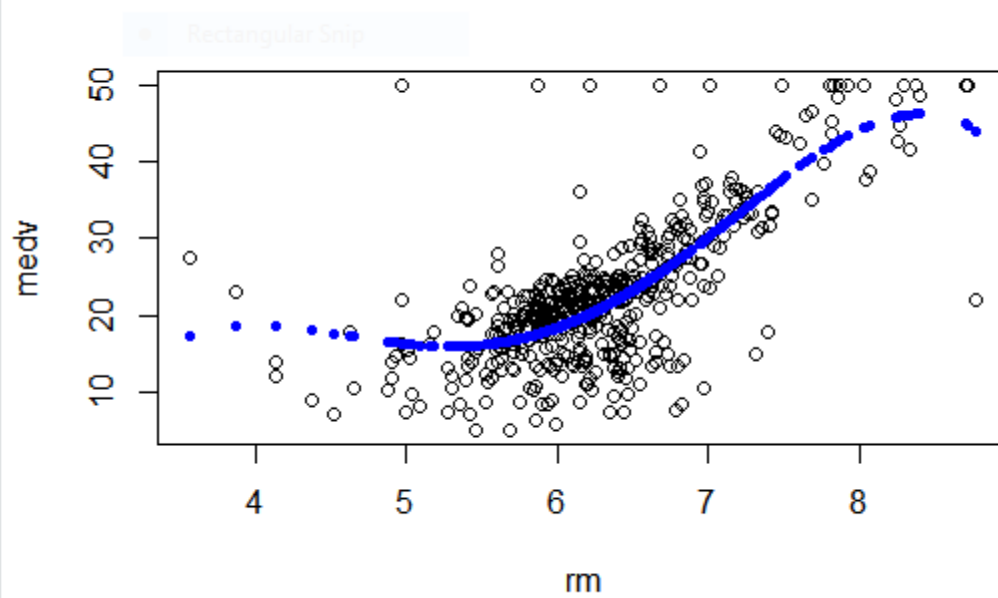
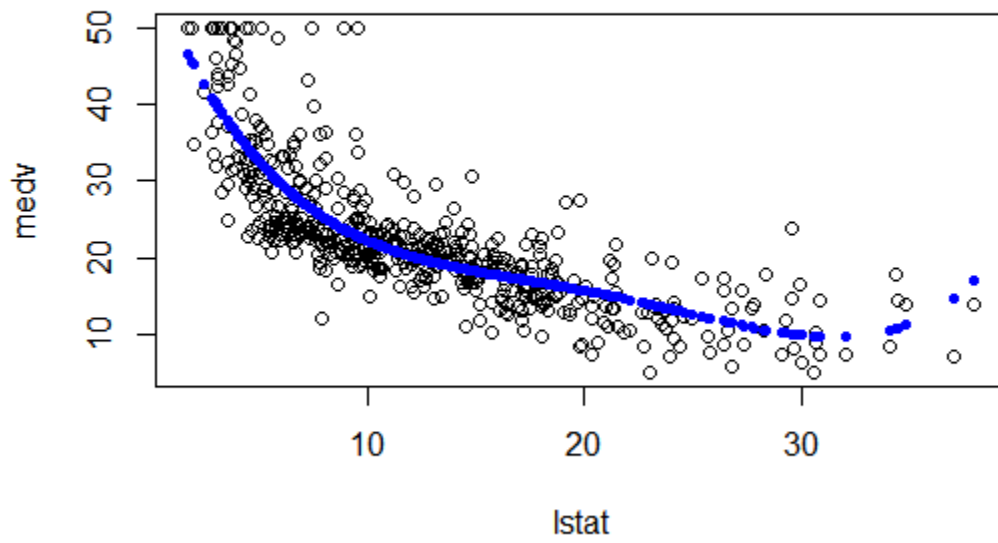




Boston Data







DATA MINING ALGORITHM:

For this project, we are using the data mining algorithm which is Linear Regression algorithm. Linear Regression is a machine learning algorithm based on supervised learning. It performs a regression task. Regression models a target prediction value based on independent variables.

For example, **regression** might be used to predict the cost of a product or service, given other variables. Regression analysis is a very widely used statistical tool to establish a relationship model between two variables. One of these variable is called predictor variable whose value is gathered through experiments. The other variable is called response variable whose value is derived from the predictor variable. In Linear Regression these two variables are related through an equation, where exponent (power) of both these variables is 1. Mathematically a linear relationship represents a straight line when plotted as a graph. A non-linear relationship where the exponent of any variable is not equal to 1 creates a curve.

The general mathematical equation for a linear regression is –

$$y = ax + b$$

Following is the description of the parameters used –

- **y** is the response variable.
- **x** is the predictor variable.
- **a** and **b** are constants which are called the coefficients.

PROGRAM CODE:

```
library(MASS)
library(ISLR)

#install.packages("ISLR")
data("Boston")

#print head
head(Boston)

#rows for dataset
nrow(Boston)

summary(Boston)

set.seed(2)
library(caTools)

#split using 70 percent
split<-sample.split(Boston$medv ,SplitRatio = 0.7)
split

training_data<-subset(Boston,split=="TRUE")
testing_data<-subset(Boston,split=="FALSE")

####Exploratory Data Analysis####

#creating scatterplot matrix
attach(Boston)
library(lattice)
splom(~Boston[c(1:6,14)], groups=NULL, data=Boston,axis.line.tck = 0,axis.text.alpha = 0)
splom(~Boston[c(7:14)], groups=NULL, data=Boston,axis.line.tck = 0,axis.text.alpha = 0)

#corplot to visualize
#install.packages("corrplot")
library(corrplot)
corrplot(cr, type = "lower")
corrplot(cr, method = "number")

#to view corelation of variables
plot(Boston$crim ,Boston$medv, cex = 0.5, xlab = "CrimeRate", ylab = "Price")
cr<-cor(Boston)
pairs(~ medv + ptratio + black + lstat + dis + rm + crim, data = Boston, main = "Boston Data")
```

```
## crim is not acceptable to be a linear variable
```

```
#studying crim and medv  
plot(crim,medv)  
fit1<-lm(medv~crim, data=Boston)  
abline(fit1, col="red")# regression fit line
```

```
#studying rm and medv  
plot(rm,medv)  
fit1<-lm(medv~rm, data=Boston)  
abline(fit1, col="red")# regression fit line
```

```
#studying lstat and medv  
plot(lstat,medv)  
fit1<-lm(medv~lstat, data=Boston)  
abline(fit1, col="red")# regression fit line
```

```
##Creating Model
```

```
####Since line is acceptable through rm and lstat variable we use rm, lstat to model to predict data  
####Using rm, lstat as they are good linear variables
```

```
#Rm  
model_regx_rm<-lm(medv~rm,data = training_data)  
#summary  
summary(model_regx_rm)  
#prediction  
predic_rm<-predict(model_regx_rm, testing_data)  
predic_rm  
#compare actual values and prediction  
plot(testing_data$medv, type = "l", lty = 1.8, col = "green")  
lines(predic_rm,type = "l", col = "blue")
```

```
#lstat  
model_regx_lstat<-lm(medv~lstat,data = training_data)  
#summary  
summary(model_regx_lstat)  
#prediction  
predic_lstat<-predict(model_regx_lstat, testing_data)
```

```
predic_lstat
#compare actual values and prediction
plot(testing_data$medv, type = "l", lty = 1.8, col = "green")
lines(predic_lstat,type = "l", col = "blue")
```

```
# finding root mean sq. error
rmse<-sqrt(mean(predic_rm-testing_data$medv)^2)
rmse
rmse<-sqrt(mean(predic_lstat-testing_data$medv)^2)
rmse
```

```
##### NoW we try multi linear regression #####
```

```
#selecting only variables
model_regx_ml<-lm(medv~ rm + lstat,data = Boston)
#summary
summary(model_regx_ml)
```

```
#selecting all variables
model_regx_all<-lm(medv~.,data = training_data)
#summary
summary(model_regx_all)
```

```
#removing age and indus
model_regx_selected<-lm(medv~ crim + zn + tax + chas + rm + rad + dis + nox +
  ptratio + black + lstat,data = training_data)
#summary
summary(model_regx_selected)
```

```
#prediction
predic_selected<-predict(model_regx_selected, testing_data)
predic_selected
```

```
# finding root mean sq. error
rmse<-sqrt(mean(predic_selected-testing_data$medv)^2)
rmse
```

```
#compare actual values and prediction
plot(testing_data$medv, type = "l", lty = 1.8, col = "green")
lines(predic_selected,type = "l", col = "blue")
```



```
#since rmse value is still high we need to optimize the model
```

```
f1=lm(medv~lstat +I(lstat^2),Boston)
summary(fit1)
attach(Boston)
f11=lm(medv~poly(lstat,4))
plot(medv~lstat)
points(lstat,fitted(f11),col="blue",pch=20)
```

```
f2=lm(medv~rm +I(rm^2),Boston)
summary(f2)
attach(Boston)
fit22=lm(medv~poly(rm,4))
plot(medv~rm)
points(rm,fitted(fit22),col="blue",pch=20)
```

```
#building final model
fit_final=lm(medv~lstat+crim+rm+dis+black+chas+nox+rad+tax+ptratio+I(lstat^2)+I(rm^2))
summary(fit_final)
```

```
#prediction
predic_fit_final<-predict(fit_final, testing_data)
predic_fit_final
```

```
# finding root mean sq. error
rmse<-sqrt(mean(predic_fit_final-testing_data$medv)^2)
rmse
```

```
#compare actual values and prediction
plot(testing_data$medv, type = "l", lty = 1.8, col = "green")
lines(predic_fit_final,type = "l", col = "blue")
```

OUTPUT:

The screenshot shows the RStudio interface with the following components:

- Source Editor:** Contains R code for loading the MASS package, installing ISLR, loading the Boston dataset, and splitting it into training and testing sets using the caTools package.
- Console:** Displays the output of the code execution, including the head of the Boston dataset and the row counts for the training and testing sets.
- Environment:** Shows the objects created in the global environment: testing_data (139 obs. of 14 variables), training_data (367 obs. of 14 variables), predic_fit_final, predic_lstat, predic_rm, predic_selected, and rmse.
- Files:** Shows the file explorer with various files and folders, including My Videos, New folder, NFS Most Wanted, photoshop cc, Pooja, python proj.docx, Python Scripts, R, Rproj.R, Sound recordings, tacnew-codeeee.txt, Umneed Welfare Foundation.pdf, and Zoom.

```
1 library(MASS)
2 library(ISLR)
3 install.packages("ISLR")
4 data("Boston")
5 #print head
6 head(Boston)
7 #rows for dataset
8 nrow(Boston)
9 summary(Boston)
10 set.seed(2)
11 install.packages("caTools")
12 library(caTools)
13 #split using 70 percent
14 split<-sample.split(Boston$medv ,splitRatio = 0.7)
15 split
16 training_data<-subset(Boston,split=="TRUE")
17 testing_data<-subset(Boston,split=="FALSE")
18 ###Exploratory Data Analysis###
19 #creating scatterplot matrix
20 attach(Boston)
21 library(lattice)
22
```

```
> data("Boston")
> #print head
> head(Boston)
      crim zn indus chas nox  rm age  dis rad tax ptratio black lstat medv
1  0.00632 18  2.31  0  0.538 6.575 65.2 4.0900 1 296   15.3 396.90 4.98 24.0
2  0.02731  0  7.07  0  0.469 6.421 78.9 4.9671  2 242   17.8 396.90 9.14 21.6
3  0.02729  0  7.07  0  0.469 7.185 61.1 4.9671  2 242   17.8 392.83 4.03 34.7
4  0.03237  0  2.18  0  0.458 6.998 45.8 6.0622  3 222   18.7 394.63 2.94 33.4
5  0.06905  0  2.18  0  0.458 7.147 54.2 6.0622  3 222   18.7 396.90 5.33 36.2
6  0.02985  0  2.18  0  0.458 6.430 58.7 6.0622  3 222   18.7 394.12 5.21 28.7

> #rows for dataset
> nrow(Boston)
[1] 506
```

The screenshot shows the RStudio interface with the following components:

- Source Editor:** Contains the same R code as the first screenshot, but with additional code to calculate summary statistics for the Boston dataset.
- Console:** Displays the output of the code execution, including the summary statistics for the Boston dataset.
- Environment:** Shows the same objects as the first screenshot.
- Files:** Shows the same file explorer as the first screenshot.

```
1 library(MASS)
2 library(ISLR)
3 install.packages("ISLR")
4 data("Boston")
5 #print head
6 head(Boston)
7 #rows for dataset
8 nrow(Boston)
9 summary(Boston)
10 set.seed(2)
11 install.packages("caTools")
12 library(caTools)
13 #split using 70 percent
14 split<-sample.split(Boston$medv ,splitRatio = 0.7)
15 split
16 training_data<-subset(Boston,split=="TRUE")
17 testing_data<-subset(Boston,split=="FALSE")
18 ###Exploratory Data Analysis###
19 #creating scatterplot matrix
20 attach(Boston)
21 library(lattice)
22
```

```
> #rows for dataset
> nrow(Boston)
[1] 506
> summary(Boston)
      crim      zn      indus      chas      nox      rm      age      dis      rad      tax      ptratio      black      lstat      medv
Min.   :0.00632 Min.   :0.00 Min.   :0.46 Min.   :0.00000 1st Qu.: 0.08205 1st Qu.: 0.00 1st Qu.: 5.19 1st Qu.:0.00000 Median : 0.25651 Median : 0.00 Median : 9.69 Median :0.00000 Mean   : 3.61352 Mean   :11.36 Mean  :11.14 Mean  :0.06917 3rd Qu.: 3.67708 3rd Qu.:12.50 3rd Qu.:18.10 3rd Qu.:0.00000 Max.   :88.97620 Max.   :100.00 Max.   :27.74 Max.   :1.00000
      nox      rm      age      dis
Min.   :0.3850 Min.   :3.561 Min.   : 2.90 Min.   : 1.130
```

RStudio

File Edit Code View Plots Session Build Debug Profile Tools Help

Go to file/function

Source on Save

Run

Source

Project: (None)

Environment History Connections Tutorial

Global Environment

testing_data 139 obs. of 14 variables

training_data 367 obs. of 14 variables

values

predic_fit_final	Named num	[1:139]	24.5	32.3	30.6	17.3	13.8	...	
predic_lstat	Named num	[1:139]	26.2	32.49	30.07	16.06	5.14	...	
predic_rm	Named num	[1:139]	23.8	29	30.3	21.6	16.8	...	
predic_selected	Named num	[1:139]	24.81	28.49	27.59	18.21	9.57	...	
rmse			0.188343736404616						

Files Plots Packages Help Viewer

New Folder Delete Rename More

Home

Name	Size	Modified
My Videos		
New folder		
New folder (2)		
NFS Most Wanted		
photoshop cc		
Pooja		
python proj.docx	274.6 KB	Apr 17, 2019, 9:03 AM
Python Scripts		
R		
Rproj.R	3.9 KB	Apr 24, 2021, 9:43 PM
Sound recordings		
tacnew-codeeee.txt	2 KB	Apr 17, 2019, 9:50 PM
Ummeed Welfare Foundation.pdf	291.7 KB	Apr 22, 2021, 2:10 PM
Zoom		

```

50 model_regx_rm<-lm(medv~rm,data = training_data)
51 #summary
52 summary(model_regx_rm)
53 #prediction
54 predic_rm<-predict(model_regx_rm, testing_data)
55 predic_rm
56 #compare actual values and prediction
57 plot(testing_data$medv, type = "l", lty = 1.8, col = "green")
58 lines(predic_rm,type = "l", col = "blue")
59 #lstat
60 model_regx_lstat<-lm(medv~lstat,data = training_data)
61 #summary
62 summary(model_regx_lstat)
63 #prediction
64 predic_lstat<-predict(model_regx_lstat, testing_data)
65 predic_lstat
66 #compare actual values and prediction
67 plot(testing_data$medv, type = "l", lty = 1.8, col = "green")
68 lines(predic_lstat,type = "l", col = "blue")
69 # finding root mean sq. error
70 rmse<-sqrt(mean(predic_rm-testing_data$medv)^2)
71

```

123:1 NoW we try multi linear regression

Console Terminal Jobs

```

~/
1st Qu.: 0.4490 1st Qu.: 5.886 1st Qu.: 45.02 1st Qu.: 2.100
Median : 0.5380 Median : 6.208 Median : 77.50 Median : 3.207
Mean : 0.5547 Mean : 6.285 Mean : 68.57 Mean : 3.795
3rd Qu.: 0.6240 3rd Qu.: 6.623 3rd Qu.: 94.08 3rd Qu.: 5.188
Max. : 0.8710 Max. : 8.780 Max. : 100.00 Max. : 12.127

rad tax ptratio black lstat
Min. : 1.000 Min. :187.0 Min. :12.60 Min. : 0.32 Min. : 1.73
1st Qu.: 4.000 1st Qu.:279.0 1st Qu.:17.40 1st Qu.:375.38 1st Qu.: 6.95
Median : 5.000 Median :330.0 Median :19.05 Median :391.44 Median :11.36
Mean : 9.549 Mean :408.2 Mean :18.46 Mean :356.67 Mean :12.65
3rd Qu.:24.000 3rd Qu.:666.0 3rd Qu.:20.20 3rd Qu.:396.23 3rd Qu.:16.95
Max. :24.000 Max. :711.0 Max. :22.00 Max. :396.90 Max. :37.97

medv

```

RStudio

File Edit Code View Plots Session Build Debug Profile Tools Help

Go to file/function

Source on Save

Run

Source

Project: (None)

Environment History Connections Tutorial

Global Environment

testing_data 139 obs. of 14 variables

training_data 367 obs. of 14 variables

values

predic_fit_final	Named num	[1:139]	24.5	32.3	30.6	17.3	13.8	...	
predic_lstat	Named num	[1:139]	26.2	32.49	30.07	16.06	5.14	...	
predic_rm	Named num	[1:139]	23.8	29	30.3	21.6	16.8	...	
predic_selected	Named num	[1:139]	24.81	28.49	27.59	18.21	9.57	...	
rmse			0.188343736404616						

Files Plots Packages Help Viewer

New Folder Delete Rename More

Home

Name	Size	Modified
My Videos		
New folder		
New folder (2)		
NFS Most Wanted		
photoshop cc		
Pooja		
python proj.docx	274.6 KB	Apr 17, 2019, 9:03 AM
Python Scripts		
R		
Rproj.R	3.9 KB	Apr 24, 2021, 9:43 PM
Sound recordings		
tacnew-codeeee.txt	2 KB	Apr 17, 2019, 9:50 PM
Ummeed Welfare Foundation.pdf	291.7 KB	Apr 22, 2021, 2:10 PM
Zoom		

```

94 #compare actual values and prediction
95 plot(testing_data$medv, type = "l", lty = 1.8, col = "green")
96 lines(predic_selected,type = "l", col = "blue")
97 #since rmse value is still high we need to optimize the model
98 f1<-lm(medv~lstat +I(lstat^2),Boston)
99 summary(f1)
100 attach(Boston)
101 f11<-lm(medv~poly(lstat,4))
102 plot(medv~lstat)
103 points(lstat,fitted(f11),col="blue",pch=20)
104 f2<-lm(medv~rm +I(rm^2),Boston)
105 summary(f2)
106 attach(Boston)
107 fit22<-lm(medv~poly(rm,4))
108 plot(medv~rm)
109 points(rm,fitted(fit22),col="blue",pch=20)
110 #building final model
111 fit_final<-lm(medv~lstat+crim+rm+dis+black+chas+nox+rad+tax+ptratio+I(lstat^2)+I(rm^2))
112 summary(fit_final)
113 #prediction
114 predic_fit_final<-predict(fit_final, testing_data)
115

```

123:1 NoW we try multi linear regression

Console Terminal Jobs

```

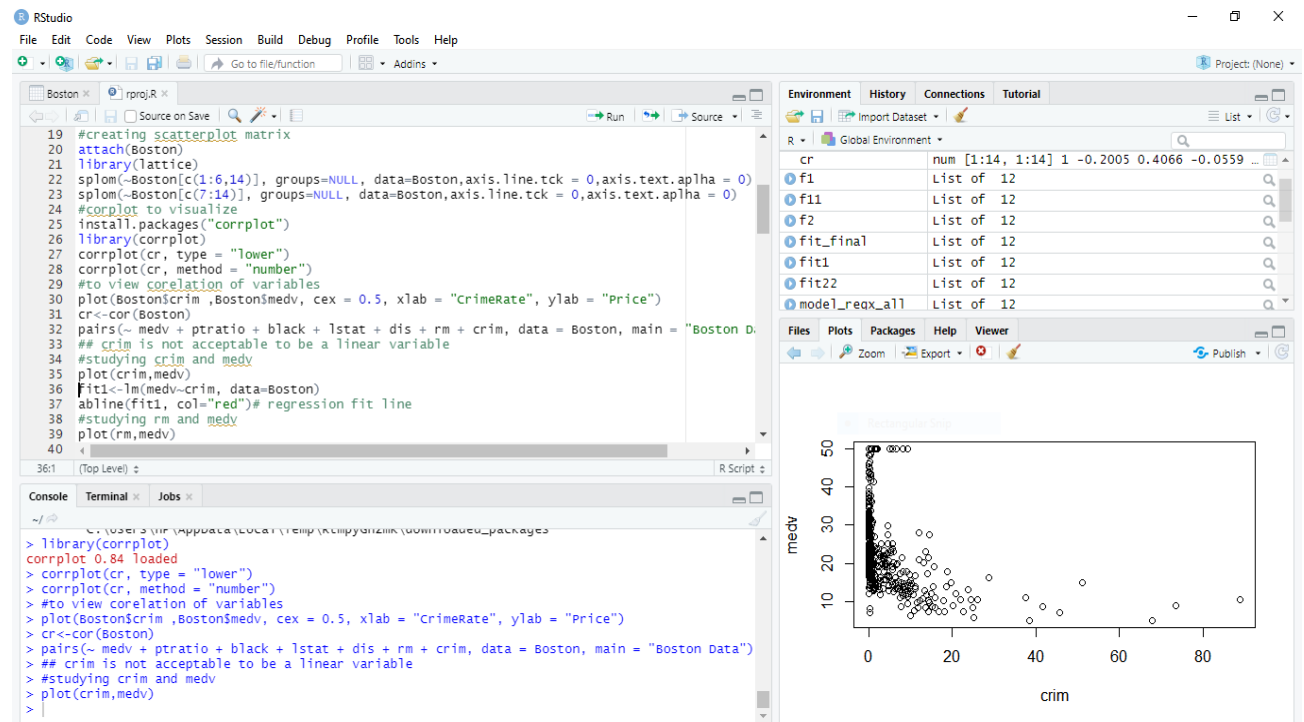
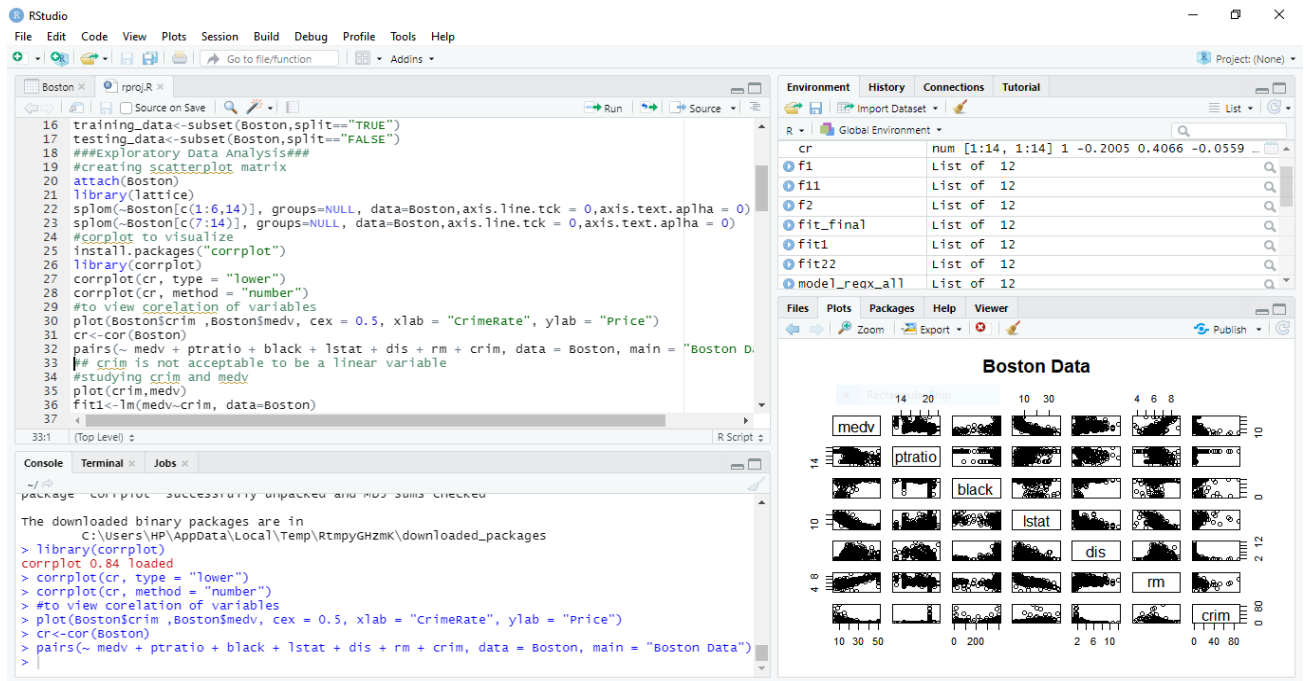
~/
> summary(model_regx_rm)

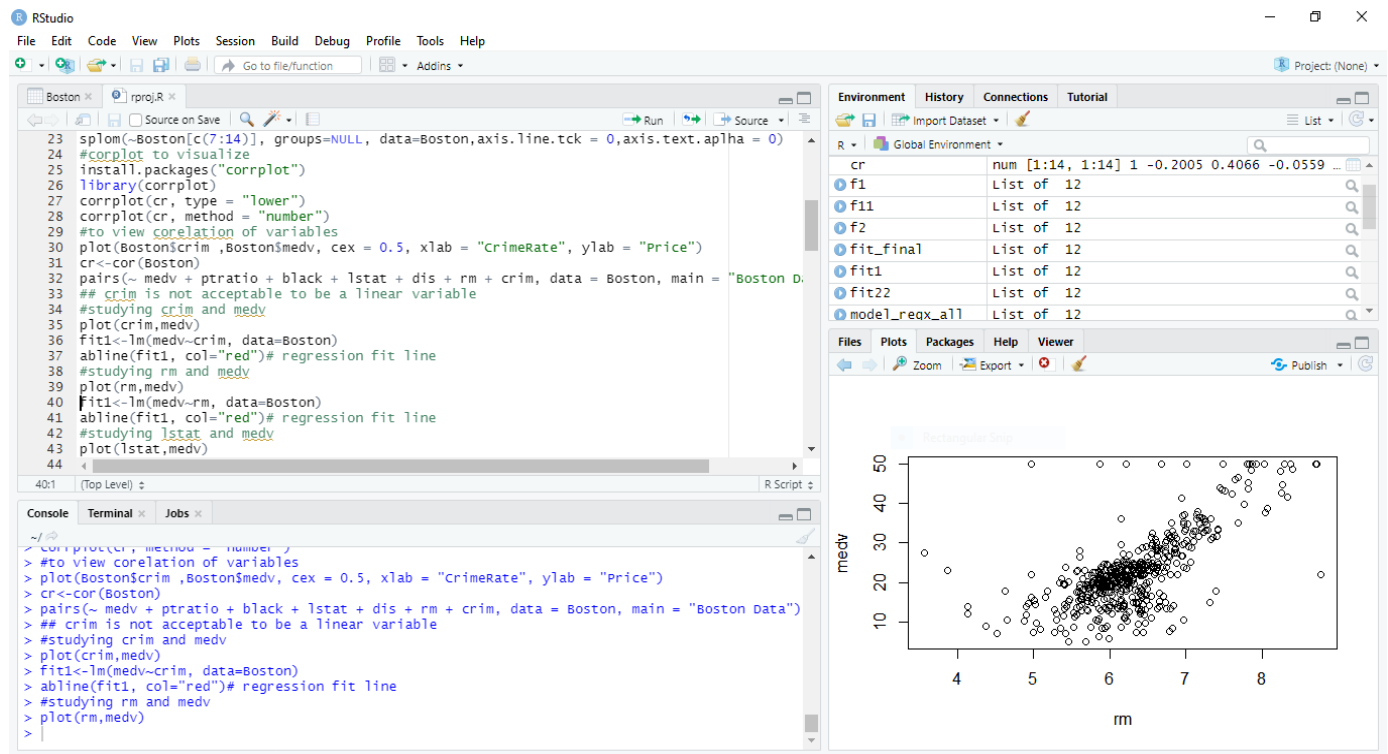
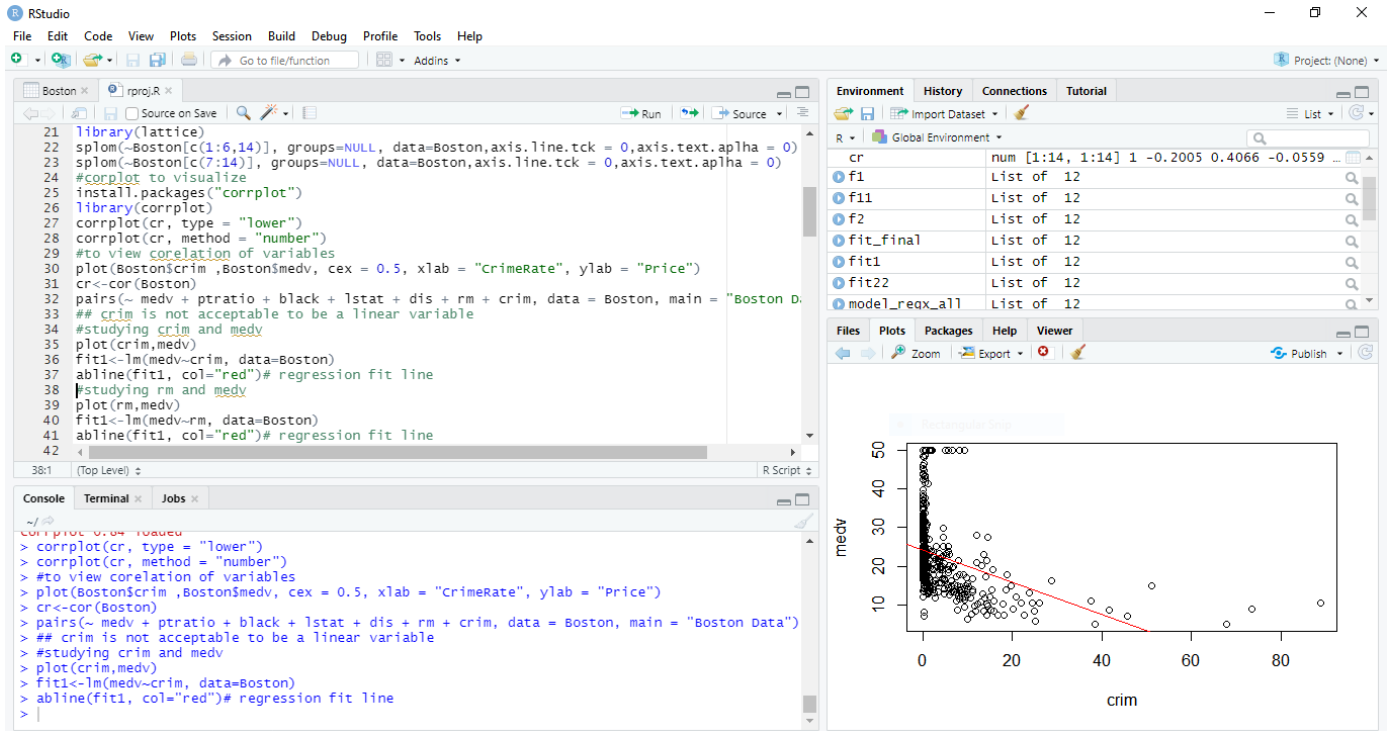
call:
lm(formula = medv ~ rm, data = training_data)

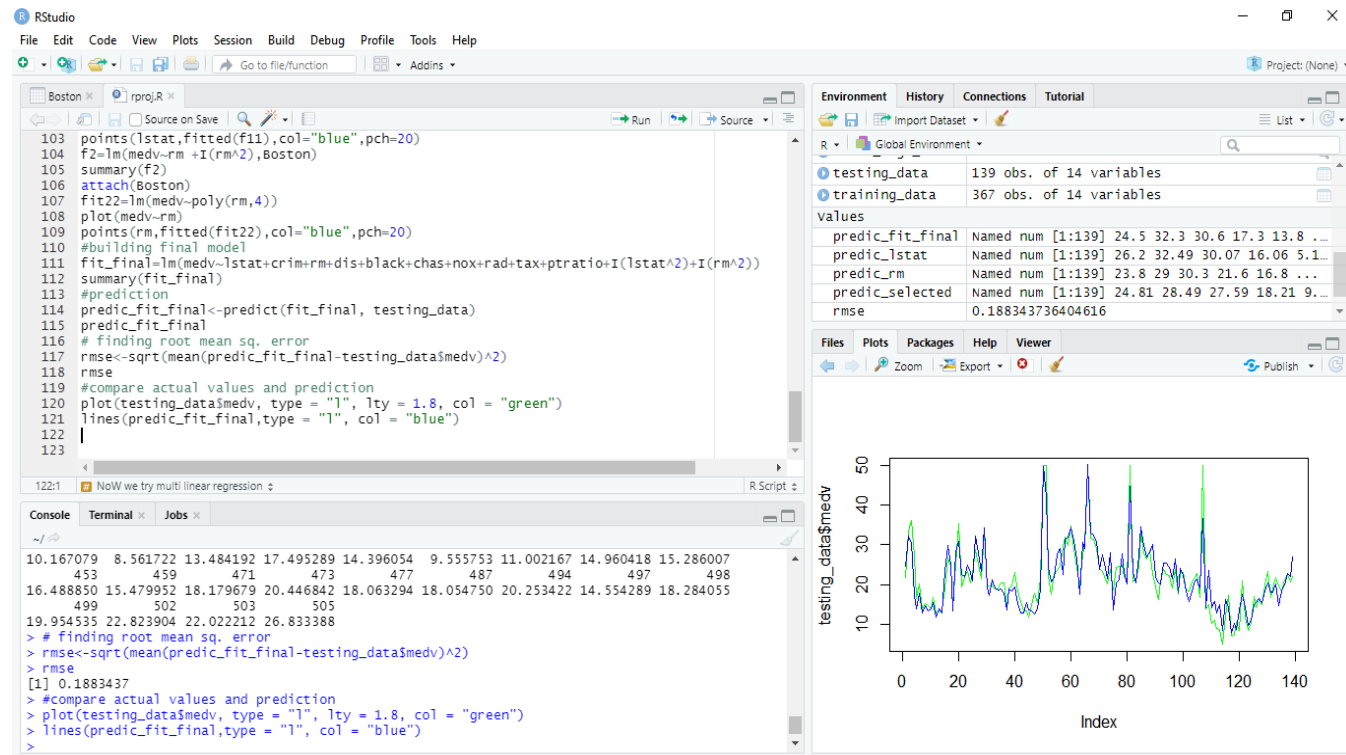
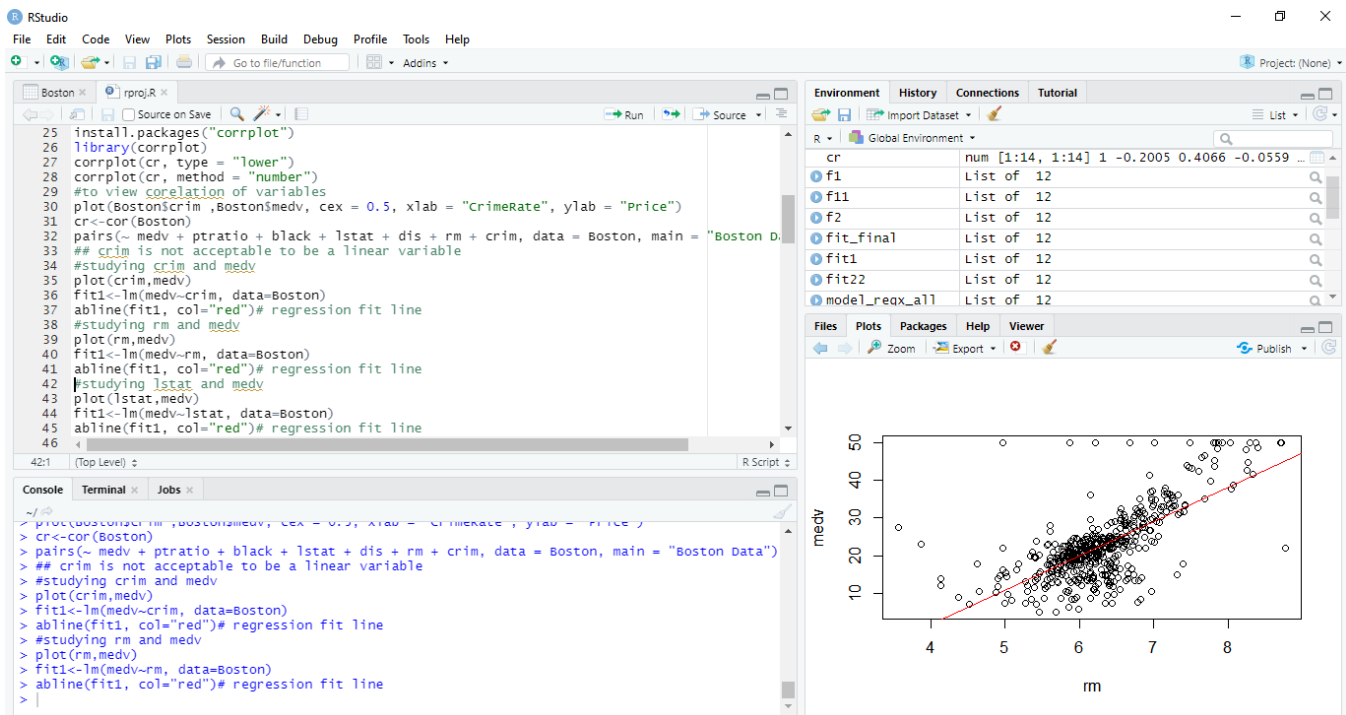
Residuals:
    Min       1Q   Median       3Q      Max
-22.979  -3.111   0.102   3.032  39.099

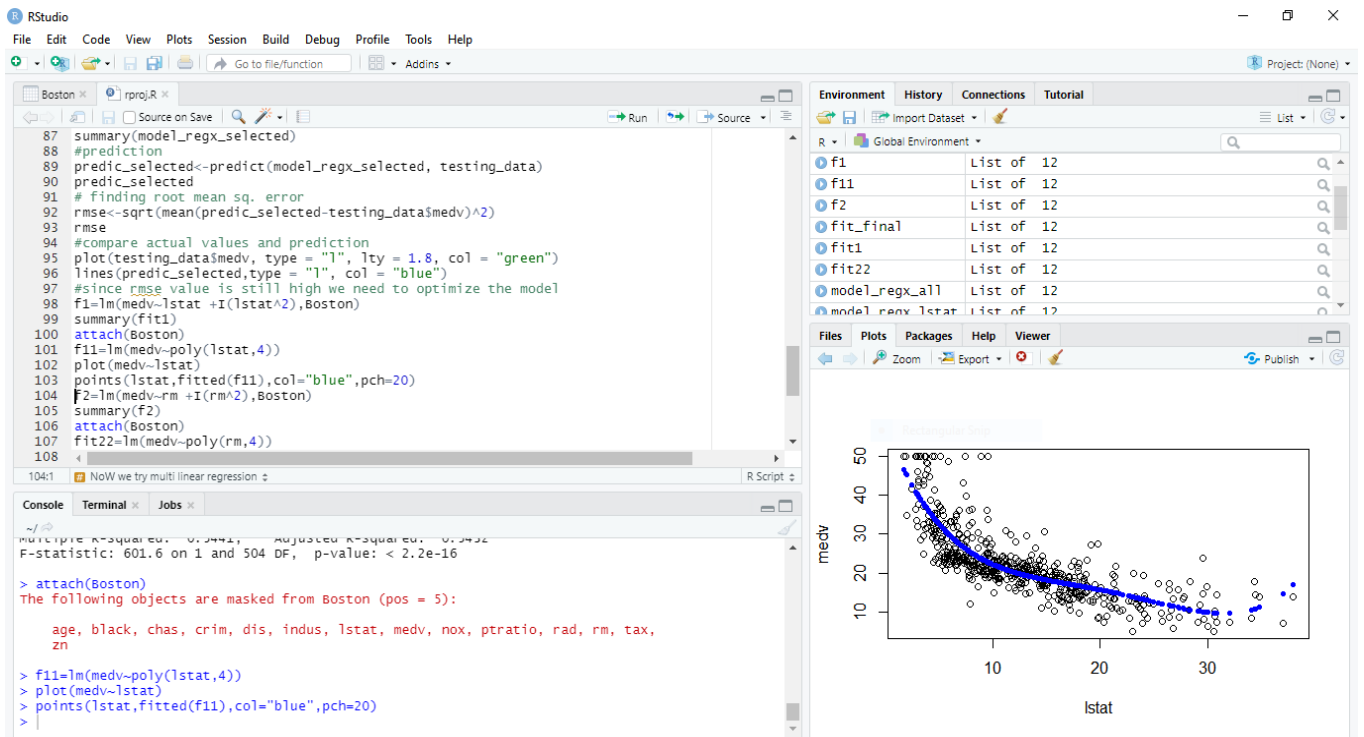
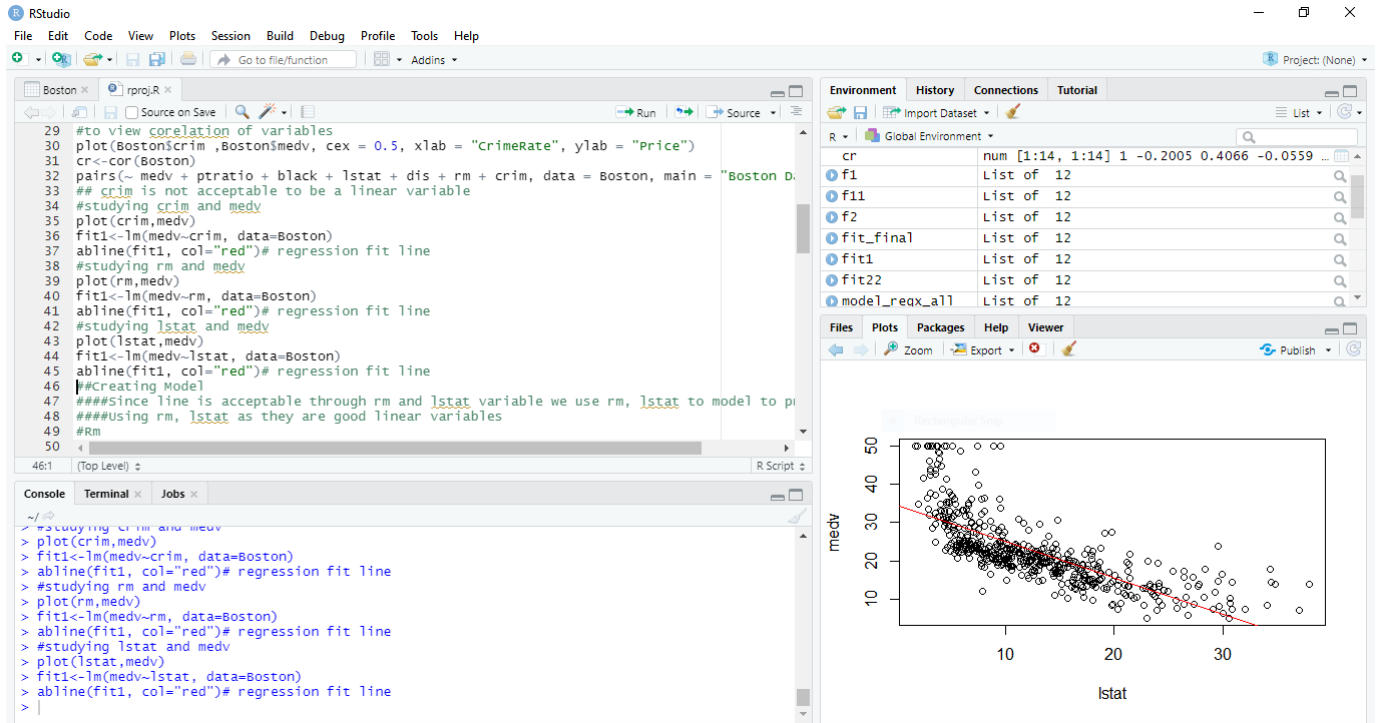
Coefficients:
(Intercept)  -33.423      3.303    -10.12  <2e-16 ***
rm              8.918      0.519    17.18  <2e-16 ***

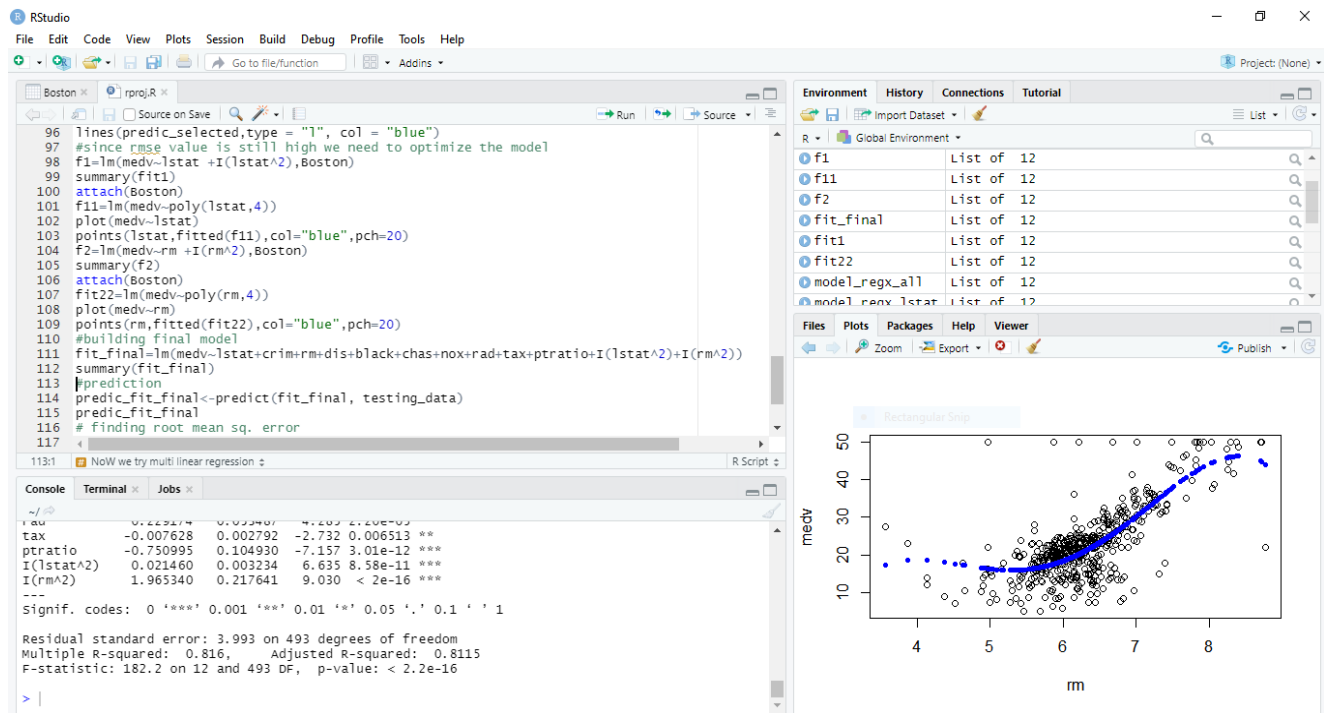
```









CONCLUSION:

By using the Boston Housing Price data we got the outcome, which was the visualization and because of the data mining algorithm we got an easier classification of the data.

BIBLIOGRAPHY

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<http://www.tutorialpoint.com/r>