1. The data

I chose **Ames Housing dataset** which was compiled by Dean De Cock for use in data science education.

My model is a prediction focused one and I applied 5 types of regression in this project.

- LinearRegression
- Ridge
- Lasso
- ElasticNet
- RandomForestRegressor

First we load both the test dataset and the training dataset:

```
In [3]: train_df = pd.read_csv('train.csv')
test_df = pd.read_csv('test.csv')
       full_data = pd.concat([train_df, test_df]).reset_index(drop=True)
       print('train_df\t{}'.format(train_df.shape))
print('test_df \t{}'.format(test_df.shape))
print('full_data \t{}'.format(full_data.shape))
       train_df.head()
       train_df (1460, 81)
test_df (1459, 80)
full_data (2919, 81)
Out[3]:
          Id MSSubClass MSZoning LotFrontage LotArea Street Alley LotShape LandContour Utilities ... PoolArea PoolQC Fence MiscFeature MiscVal MoSol
        0 1 60 RL 65.0 8450 Pave NaN Reg Lvl AllPub ... 0 NaN NaN
        1 2
                           RL 80.0 9600 Pave NaN Reg
                                                                       LvI AllPub ... 0 NaN NaN
                                                                                                                NaN
                  60 RL 68.0 11250 Pave NaN IR1 Lvl AllPub ... 0 NaN NaN
        2 3
                                                                                                                NaN
                  70 RL 60.0 9550 Pave NaN IR1 LvI AllPub ... 0 NaN NaN
                                                                                                                NaN
                                                                                                                         0
        4 5 60 RL 84.0 14260 Pave NaN IR1 Lvl AllPub ... 0 NaN NaN
                                                                                                                NaN
       5 rows × 81 columns
       4
```

Next we check the different columns between train and test columns:

```
In [4]: set(train_df.columns) - set(test_df.columns)
Out[4]: {'SalePrice'}
```

We will drop the "ID" column:

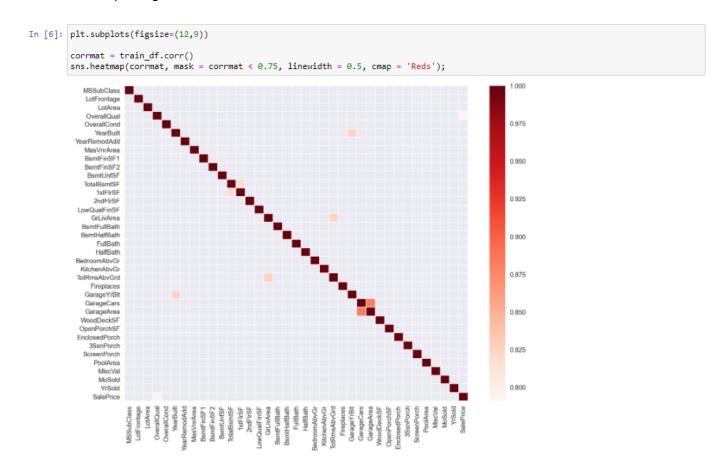
```
In [5]: train_df.drop(columns = 'Id', inplace=True)
  test_df.drop(columns = 'Id', inplace=True)
  full_data.drop(columns = 'Id', inplace=True)
  print('Drop column')

Drop column
```

A bit of exploring

Let's explore the data a bit in order to get a better understanding of what we are dealing with.

Next we will be plotting the overall data to see what variables are correlated:



We will focus on the variables that are high correlation to target variable and then consider to eliminate outliers.

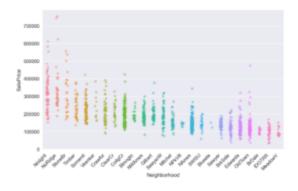
```
In [7]: top_corr = abs(corrmat.SalePrice).sort_values(ascending=False).head(10)
         top_corr_col = list(top_corr.index)
         top_corr_col.remove('SalePrice')
         top_corr
Out[7]: SalePrice
                            1.000000
         OverallQual
                            0.790982
         GrLivArea
                            0.708624
         GarageCars
                            0.640409
         GarageArea
TotalBsmtSF
                            0.623431
                            0.613581
         1stFlrSF
                            0.605852
         FullBath
                            0.560664
         TotRmsAbvGrd
                            0.533723
         YearBuilt
                            0.522897
         Name: SalePrice, dtype: float64
In [8]: plt.subplots(figsize=(12,9))
         corrmat = train_df[top_corr_col].corr()
sns.heatmap(corrmat, linewidth = 0.5, cmap = 'Reds');
             OverallQual
              GrLivArea
                                                                                                                 0.6
            TotalBsmtSF
               1stFirSF
                                                                                                                 0.4
               EullBath
           TotRmsAbvGrd
                                                                                                                 0.2
                       OverallQual GrLivArea GarageCars GarageArea TotalBsmtSF 1stFirSF
                                                                              FullBath TotRmsAbvGrd YearBuilt
```

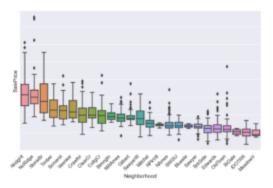
In [10]: sort_cate(train_df, 'Neighborhood')

Neighborhood | type: object

	n	Ratio	TARGET MEDIAN	Target MEAN
NridgHt	77	5.273973	315000	316270.623377
NoRidge	41	2.808219	301500	335295.317073
StoneBr	25	1.712329	278000	310499.000000
		2.602740	228475	242247.447368
Timber	38			
Somerst	86	5.890411	225500	225379.837209
Veenker	11	0.753425	218000	238772.727273
Crawfor	51	3.493151	200624	210624.725490
ClearCr	28	1.917808	200250	212565.428571
CollgCr	150	10.273973	197200	197965.773333
Blmngtn	17	1.164384	191000	194870.882353
NWAmes	73	5.000000	182900	189050.068493
Gilbert	79	5.410959	181000	192854.506329
SawyerW	59	4.041096	179900	186555.796610
Mitchel	49	3.356164	153500	156270.122449
NPkVill	9	0.616438	146000	142694.444444
NAmes	225	15.410959	140000	145847.080000
SWISU	25	1.712329	139500	142591.360000
Blueste	2	0.136986	137500	137500.000000
Sawyer	74	5.068493	135000	136793.135135
BrkSide	58	3.972603	124300	124834.051724
Edwards	100	6.849315	121750	128219.700000
OldTown	113	7.739726	119000	128225.300885
BrDale	16	1.095890	106000	104493.750000
IDOTER	37	2.534247	103000	100123.783784
MeadowV	17	1.164384	88000	98576.470588
PICOGOWY	17	1.104304	88666	203/0.4/0300

Neighborhood analysis





Dealing with Outliers

Some data points are far from other data points. Let's remove outliers which are an issue since they can affect real results.

```
In [11]: train_df = train_df.drop(train_df[(train_df['overallqual'] < 5) & (train_df['SalePrice'] > 200000)].index)
train_df = train_df.drop(train_df[(train_df['overallqual'] > 9) & (train_df['SalePrice'] < 200000)].index)</pre>
             train_df = train_df.drop(train_df['GrLivArea'] > 4000) & (train_df['SalePrice'] < 200000)].index)</pre>
             train_df = train_df.drop(train_df['GarageArea'] > 1200) & (train_df['SalePrice'] < 200000)].index)</pre>
             train_df = train_df.drop(train_df[(train_df['TotalBsmtSF'] > 3000) & (train_df['SalePrice'] < 200000)].index)</pre>
             train_df = train_df.drop(train_df[(train_df['1stFlrSF'] > 3000) & (train_df['SalePrice'] < 200000)].index)</pre>
In [12]: fig, (ax1, ax2) = plt.subplots(1, 2, figsize = (12, 4))
             ax1.set_title('Distplot')
             sns.distplot(train_df['SalePrice'], fit=norm, ax = ax1)
             ax2.set title('Boxplot')
             sns.boxplot(train_df['SalePrice'], ax = ax2)
             print ('Skewness: ', np.round(train_df['SalePrice'].skew(), 2))
print ('Kurtosis: ', np.round(train_df['SalePrice'].kurt(), 2))
             Skewness: 1.88
Kurtosis: 6.53
                                        Distplot
                             200000
                                                     600000
                                                                800000
                                                                                     100000 200000 300000 400000 500000 600000 700000
  In [13]: train_df["SalePrice"] = np.log1p(train_df["SalePrice"])
              fig, ax = plt.subplots(1, 2, figsize = (12, 4))
ax1.set_title('Distplot Log-transformation')
sns.distplot(train_df['SalePrice'],fit=norm, ax = ax[0])
              ax2.set_title('Boxplot Log-transformation')
sns.boxplot(train_df['SalePrice'], ax = ax[1])
              print ('Skewness: ', np.round(train_df['SalePrice'].skew(), 2))
print ('Kurtosis: ', np.round(train_df['SalePrice'].kurt(), 2))
               Skewness: 0.12
              Kurtosis: 0.81
                1.2
                1.0
                0.8
                0.6
                0.2
                        10.5 11.0 11.5 12.0 12.5 13.0
SalePrice
```

Missing values:

In [14]: plot_missing(test_df)

Out[14]:

	Feature	% missing
PoolQC	1456.0	99.79
MiscFeature	1408.0	96.50
Alley	1352.0	92.67
Fence	1169.0	80.12
FireplaceQu	730.0	50.03
LotFrontage	227.0	15.58
GarageYrBlt	78.0	5.35
GarageCond	78.0	5.35
GarageQual	78.0	5.35
GarageFinish	78.0	5.35
GarageType	76.0	5.21
BsmtCond	45.0	3.08
BsmtExposure	44.0	3.02
BsmtQual	44.0	3.02
BsmtFinType1	42.0	2.88
BsmtFinType2	42.0	2.88
MasVnrType	16.0	1.10
MasVnrArea	15.0	1.03
MSZoning	4.0	0.27
BsmtFullBath	2.0	0.14
BsmtHalfBath	2.0	0.14
Utilities	2.0	0.14
Functional	2.0	0.14
Exterior2nd	1.0	0.07
Exterior1st	1.0	0.07
SaleType	1.0	0.07
BsmtFinSF1	1.0	0.07
BsmtFinSF2	1.0	0.07
BsmtUnfSF	1.0	0.07
KitchenQual	1.0	0.07
GarageCars	1.0	0.07
GarageArea	1.0	0.07
TotalBsmtSF	1.0	0.07

Out[16]:

	BamtFinSF1	BarntFinSF2	BamtUnfSF	TotalBsmtSF	BsmtFullBath	BsmtHalfBath
BsmtQual						
Ex	95591	2851	91428	189870	79	6
Fa	4575	276	20805	25656	6	2
Gd	290890	21417	385330	697637	293	27
None	0	0	0	0	0	0
TA	246479	43418	328032	617929	238	49

In [17]: gar = ['GarageYr8lt', 'GarageArea', 'GarageCars', 'GarageQual']
train_df[gar].groupby('GarageQual').sum()

Out[17]:

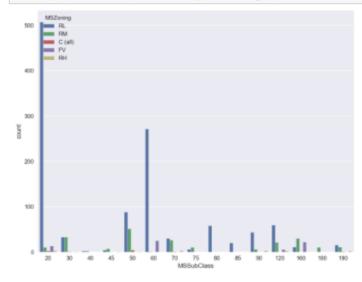
GarageYrBlt GarageArea GarageCars

GarageQual			
Ex	5967.0	2064	5
Fa	92817.0	14948	65
Gd	27733.0	7800	28
None	0.0	0	0
Po	5758.0	978	3
TA	2586149.0	659328	2467

```
In [18]: # Replace features with 0
zero_cols = ['BsmtFinSF1', 'BsmtFinSF2', 'BsmtUnfSF', 'TotalBsmtSF', 'BsmtFullBath', 'BsmtHalfBath', 'GarageYrBlt', 'GarageArea',
for col in zero_cols:
    train_df[col].replace(np.nan, 0, inplace=True)
    test_df[col].replace(np.nan, 0, inplace=True)
```

```
In [19]: most_freq_cols = ['Electrical', 'Exterior1st', 'Exterior2nd', 'Functional', 'KitchenQual', 'SaleType', 'Utilities']
for col in most_freq_cols:
    train_df[col].replace(np.nan, train_df[col].mode()[0], inplace=True)
    test_df[col].replace(np.nan, test_df[col].mode()[0], inplace=True)
```

```
In [20]: fig, ax = plt.subplots(1,1,figsize = (10, 8))
sns.countplot(x="MSSubClass", hue="MSZoning", data=train_df);
```



MSZoning should be considered to replace NaN by group of MSSubClass

LotFrontage relates to Neighborhood so we will replace NaN by group of Neighborhood

For MSSubClass, YrSold, MoSold should be changed to string.

```
In [21]: train df['MSZoning'] = train df.groupby('MSSubClass')['MSZoning'].apply(
lambda x: x.fillma(x.mode()[@]))
test_df['MSZoning'] = test_df.groupby('MSSubClass')['MSZoning'].apply(
lambda x: x.fillma(x.mode()[@]))
               # type to string
chg_type = ['MSSubClass', 'MYSold', 'MaSold']
train df[chg_type] = train df[chg_type].astype(str)
test_df[chg_type] = test_df[chg_type].astype(str)
In [22]: sort_cate(train_df, 'Weighborhood')
               Neighborhood | type: object
                                          Ratio TARGET_MEDIAN
292896 12.668331
                                                                               12,676883
               NoRidge
                                     2.817869
                                                           12,616529
               StoneBr
Timber
Somerst
                                                           12.535388
12.339184
12.326877
                                     1.718213
                                                                               12,585498
                                     2.611684
5.918653
                                                                               12.363468
               Veenker
                              11
                                      8.756814
                                                           12,292255
                                                                               12,344188
               Crawfor 51 3.585155
ClearCr 27 1.855678
CollgCr 158 18.389278
                                                           12.289193
12.286878
                                                           12,191972
                                                                               12.163647
               Blangtn
NKAmes
Gilbert
                             17
                                     1.168385
                                                           12,168834
                                                                               12,169421
                                     5.817182
5.429553
4.854983
                                                           12.116788
12.186258
12.188162
                                                                               12.138614
12.155889
               SawverN
                                                           11.932921
11.891369
11.849485
               Mitchel
                                      3 298969
                                                                               11,931917
               NPKV111
                            225 15.463918
               SWISU
                                      1.718213
                                                           11.845827
                                                                               11.838442
                                      0.137457
5.885911
3.986254
                                                           11.826543
11.813837
11.738225
               Blueste
                                                                               11.826543
11.811475
               Sawyer 74
BrkSide 58
                                                                               11.679736
               Edwards
                                      6.735395
                                                           11,691871
                                                                               11,785338
               OldTown 113
BrDale 16
                                     7.766323
1.099656
                                                           11.686887
11.571284
                                                                               11.783873
11.547874
               BrDale 16
IDOTRR 36
Meadow/ 17
                                      2.474227
                                                           11,559282
                                                                               11,458928
                                     1.168385
                                                           11.385183
                                                                               11.474533
```

Let's turn categorial features into ordinal features:

Let's create new features from existing features in order to add more information to the target variable

```
In [25]:
    train_df['TotalSF'] = train_df['BsmtFinSF1'] + train_df['BsmtFinSF2'] + train_df['1stFlrSF'] +
    train_df['2ndFlrSF']

test_df['TotalSF'] = test_df['BsmtFinSF1'] + test_df['BsmtFinSF2'] + test_df['1stFlrSF'] + test
_df['2ndFlrSF']
```

If the values of a certain feature are skewed, depending on the model, skewness may violate model assumptions. In this case we will use Boxcox-Transformation to transform high skewness features.

```
In [25]: num_col = list(train_df.select_dtypes(exclude='object').columns)
            num_col.remove('SalePrice')
            # Get skewness with num features
            skew\_feature = abs(train\_df[num\_col].apply(lambda \ x: \ skew(x))).sort\_values(ascending = False)
               Filter skewness > 0.75
            high_skew = skew_feature[skew_feature > 0.75]
            for f in high_skew.index:
    train_df[f] = boxcox1p(train_df[f], boxcox_normmax(train_df[f] + 1))
    test_df[f] = boxcox1p(test_df[f], boxcox_normmax(test_df[f] + 1))
In [26]: train_df['Utilities'].value_counts(normalize = True).iloc[0]
Out[26]: 0.9993127147766323
In [28]: drop_col += ['GarageYrBlt','TotRmsAbvGrd', '1stFlrSF', 'GarageCars']
            # Drop column
           train_df.drop(columns = drop_col, inplace=True)
test_df.drop(columns = drop_col, inplace=True)
           print ('Drop Column')
           Drop Column
In [29]: y_train = train_df['SalePrice']
train_X = train_df.drop(columns = 'SalePrice')
           print ('splitting completed')
           splitting completed
```

```
In [30]: from sklearn.preprocessing import OneHotEncoder
# Get cat columns
cat_col = train_X.select_dtypes(include='object').columns
num_col = train_X.select_dtypes(exclude='object').columns

# instance of one-hot-encoder
enc = OneHotEncoder(handle_unknown='ignore', sparse=False)

# Apply one-hot encoder
OH_cols_train = pd.DataFrame(enc.fit_transform(train_X[cat_col]))
OH_cols_test = pd.DataFrame(enc.transform(test_df[cat_col]))

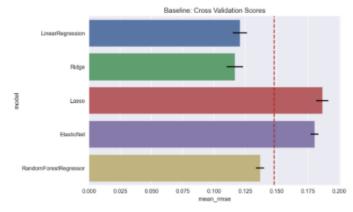
OH_cols_train.index = train_X.index
OH_cols_train.index = test_df.index

OH_cols_train.columns = enc.get_feature_names(cat_col)
OH_cols_test.columns = enc.get_feature_names(cat_col)
# Concat Cat with Num columns
X_train = pd.concat([train_X[num_col], OH_cols_train], axis=1)
X_test = pd.concat([test_df[num_col], OH_cols_test], axis=1)
```

Modeling

Here we will score our regression models

LinearRegression 0.12068 ±0.006
Ridge 0.11665 ±0.006
Lasso 0.18666 ±0.005
ElasticNet 0.18043 ±0.003
RandomForestRegressor 0.13684 ±0.003



I DOMEST STEEDING

```
In [33]: # Ridge
         pipe = make_pipeline(RobustScaler(), Ridge())
         param_grid = {'ridge__alpha': [0.01, 0.1, 1, 10, 15, 20, 25, 30]}
         grid_rid = GridSearchCV(pipe, param_grid = param_grid, cv = 5, scoring = 'neg_root_mean_squared_error', verbose = False, n_jobs
         best grid rid = grid rid.fit(X train, y train)
         rid_param = best_grid_rid.best_params_
         print(f'best_params_: {rid_param}')
         print(f'score: {-1*best_grid_rid.best_score_:.5f}')
         4
         best_params_: {'ridge__alpha': 25}
         score: 0.11316
            30010. 0.11310
  In [34]: # Lasso
           pipe = make_pipeline(Lasso())
           grid_las = GridSearchCV(pipe, param_grid = param_grid, cv = 5, scoring = 'neg_root_mean_squared_error', verbose = False, n_jobs
           best grid las = grid las.fit(X train, y train)
           las_param = best_grid_las.best_params_
           print(f'best_params_: {las_param}')
           print(f'score: {-1*best_grid_las.best_score_:.5f}')
           best_params_: {'lasso_alpha': 0.0004, 'lasso_max_iter': 1000.0}
           score: 0.11141
          30010. 0.111<del>4</del>1
In [35]: # RandomForestRegressor
          rf = RandomForestRegressor()
          param_grid = {'bootstrap': [True, False],
                       max_depth': [10, 25, 50],
max_features': ['auto', 'sqrt'],
'min_samples_leaf': [1, 2, 3],
'min_samples_split': [2, 3],
'artin_stamples_split': [2, 3],
                       'n_estimators': [300,500]
          grid_rf = RandomizedSearchCV(rf, param_distributions = param_grid, cv = 5,scoring = 'neg_root_mean_squared_error', verbose = Fals
          best_grid_rf = grid_rf.fit(X_train, y_train)
          rf_param = best_grid_rf.best_params_
          print(f'best params : {rf param}')
          print(f'score: {-1*best_grid_rf.best_score_:.5f}')
          best_params_: {'n_estimators': 500, 'min_samples_split': 2, 'min_samples_leaf': 1, 'max_features': 'sqrt', 'max_depth': 50, 'bo
          otstrap': False}
          score: 0.13061
  In [36]: # ElasticNet
           pipe = make_pipeline(ElasticNet())
           grid_en = GridSearchCV(pipe, param_grid = param_grid, cv = 5,scoring = 'neg_root_mean_squared_error', verbose = False, n_jobs =
           best_grid_en = grid_en.fit(X_train, y_train)
           en_param = best_grid_en.best_params_
           print(f'best_params_: {en_param}')
print(f'score: {-1*best_grid_en.best_score_:.5f}')
           best_params_: {'elasticnet__alpha': 0.001, 'elasticnet__l1_ratio': 0.5}
           score: 0.11158
```

Let's use stacking in an combined learning technique to combine multiple regression models through a meta-regressor. In this case we will use Lasso as our meta-regressor.

```
In [38]: stack = StackingCVRegressor(regressors = (best_grid_en.best_estimator_,
                                                               best_grid_rid.best_estimator_,
best_grid_las.best_estimator_,
                                                              best_grid_rf.best_estimator_),
                                             meta_regressor = best_grid_las.best_estimator_,
use_features_in_secondary = True)
           stack.fit(X_train, y_train);
           stack_score = -cross_val_score(stack, X_train, y_train, scoring = 'neg_root_mean_squared_error', cv = 5)
           print(f'score: \{stack\_score.mean():.5f\} \ t\{stack\_score.std():.4f\}')
            score: 0.11025 ±0.0057
In [39]: def blend_models_predict(X):
                return ((0.1 * best_grid_rid.predict(X)) +
                          ((0.1 * best_grid_na.predict(X)) +
(0.1 * best_grid_en.predict(X)) +
(0.1 * best_grid_en.predict(X)) +
(0.1 * best_grid_rf.predict(X)) +
(0.2 * stack.predict(X)))
In [41]: prediction = pd.read_csv("test.csv")
            prediction['SalePrice'] = np.floor(np.expm1(blend_models_predict(X_test)))
           prediction = prediction[['Id', 'SalePrice']]
           prediction.head()
Out[41]:
                 ld SalePrice
            0 1461 3142.0
            1 1462 3916.0
            2 1463 4044.0
            3 1464 3687.0
            4 1465 2907.0
```

Conclusion

As you can see we successfully applied 5 regression techniques to our dataset. Even if the models aren't the best we were able to obtain a prediction. Even if it's inaccurate it shows how you can obtain valuable information from a large dataset and predict certain features of it.

I would choose the RandomForrest regression as a main form of regression for this dataset but there are other methods that are better-fitting and can produce truly accurate predictions.

Thank you!