Project Title: Machine Learning Sem 10 - Regression on California Housing Dataset

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Course: Machine Learning - Semester 10

Instructor: Msc. Freda Dyrkaj **Presentation Date:** 26-30/05/2025

I. Data Wrangling (Preparing the Data)

1. Data Acquisition

 Dataset: California Housing dataset from sklearn.datasets.fetch_california_housing()

• **Shape**: 20640 rows, 9 columns (8 features + 1 target)

• **Features**: MedInc, HouseAge, AveRooms, AveBedrms, Population, AveOccup, Latitude, Longitude

• Target: MedHouseVal (Median House Value)

2. Data Inspection and Exploration

• Data type: All columns are float64

· No missing values or duplicates were found

• Descriptive stats include:

• Mean of MedHouseVal: 2.07 (\$207,000)

• Min: 0.15 (\$15,000), Max: 5.00 (\$500,000 cap)

3. Data Cleaning

• No null or duplicate rows; no imputation required.

4. Data Transformation

- Features (X) and target (y) separated
- Feature scaling (StandardScaler) applied after train-test split

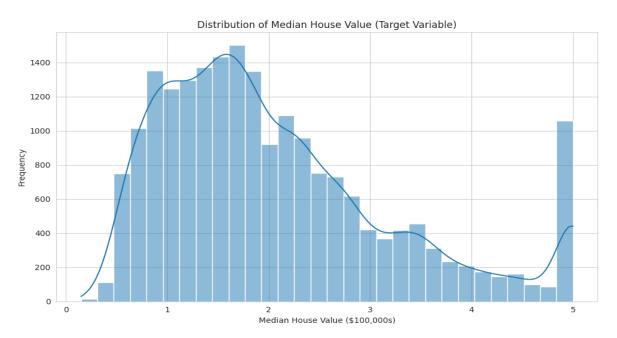
II. Data Analysis (Exploring and Understanding Patterns)

1. Descriptive Statistics

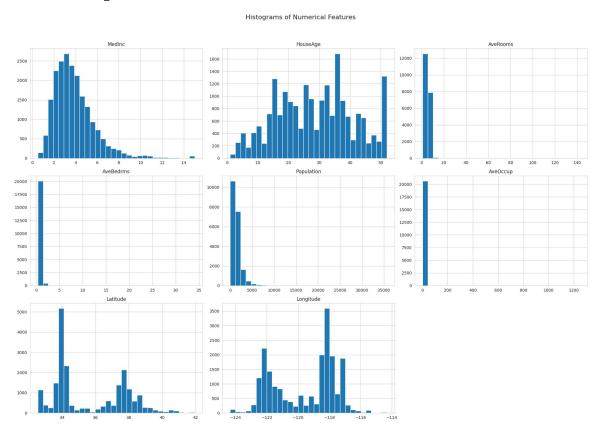
• Reviewed again to validate mean, std, and range of variables

2. Exploratory Data Analysis (EDA)

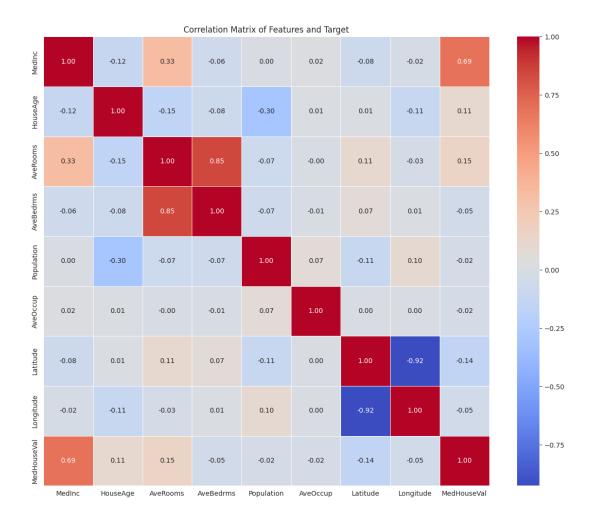
- Visualizations Generated:
 - Distribution of Median House Value:



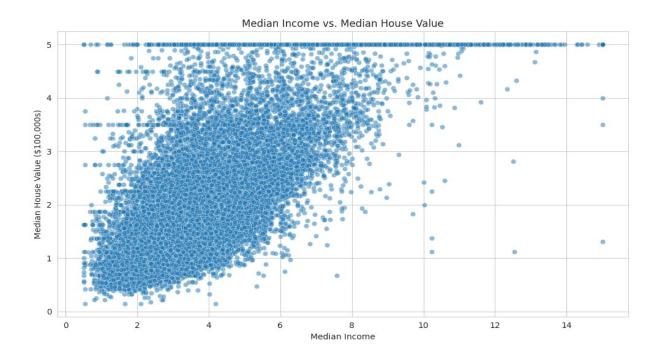
• Histograms of all features:



• Correlation heatmap:



• Scatter plot of MedInc vs MedHouseVal:



• Key Correlations with MedHouseVal:

• MedInc: +0.69 (strongest positive correlation)

• Latitude: -0.14, Longitude: -0.05

III. Regression Model Execution

1. Model Selection

· Linear Regression selected as baseline model

2. Train/Test Split

- 80% training, 20% test
- Shapes: X_train (16512, 8), y_train (16512), X_test (4128, 8), y_test (4128)

3. Feature Scaling

• StandardScaler applied

4. Model Training

- Trained using LinearRegression()
- Coefficients:

• MedInc: +0.85

• HouseAge: +0.12

• AveRooms: -0.29

• AveBedrms: +0.34

• Latitude: -0.89

• Longitude: -0.87

5. Model Evaluation

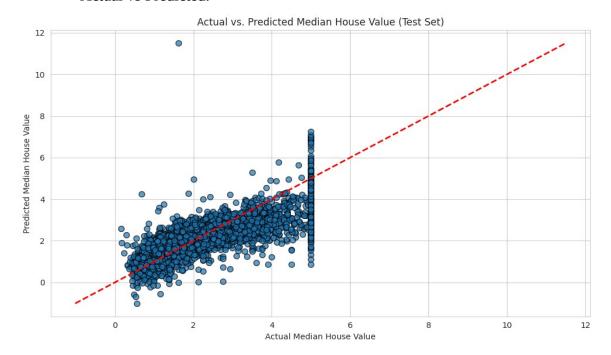
• Mean Squared Error (MSE): 0.5559

• Root Mean Squared Error (RMSE): 0.7456

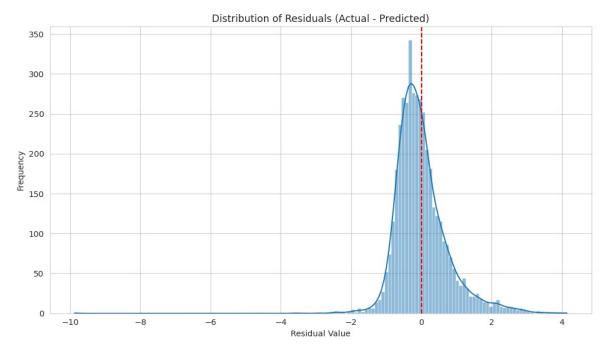
• **R-squared** (**R**²): 0.5758 (moderate explanatory power)

• Plots Generated:

• Actual vs Predicted:



• Residuals Distribution:



IV. Documentation and Reporting

Summary of Findings:

- Dataset has 20640 samples and 8 numerical features
- Median Income has the strongest correlation with house value
- Linear Regression model provides a reasonable baseline ($R^2 \sim 0.58$)

• Visualizations helped understand feature relationships

Tools Used:

- Python Libraries: pandas, numpy, matplotlib, seaborn, scikit-learn
- Notebook: Python script ml_project_sem10.py

Final Thoughts:

- More complex models (e.g., Random Forest, Gradient Boosting) may improve R²
- Outliers and capped values (at \$500,000) likely affect performance
- Feature engineering or regional segmentation could enhance prediction accuracy

Repository/Reference: GitHub Repo (Sample Reference)