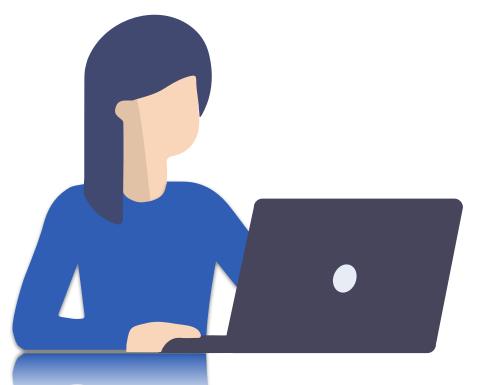




Understanding Dataset

Initial Observations from the Dataset



Total Records: 5,000 rows

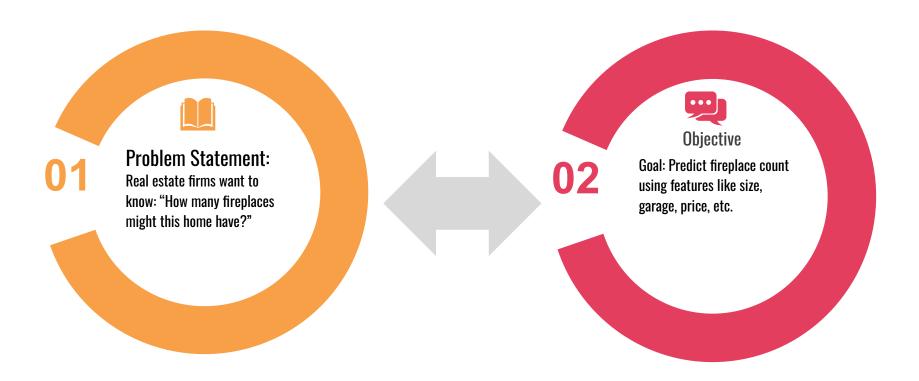
Columns: 16

Data Types: Numerical: MLS, sold_price, zipcode, longitude, latitude, lot_acres, taxes, year_built, bedrooms, fireplaces,bathrooms,garage,sqrt_ft Data Types: Categorical (Objects): kitchen_features, floor_covering, HOA

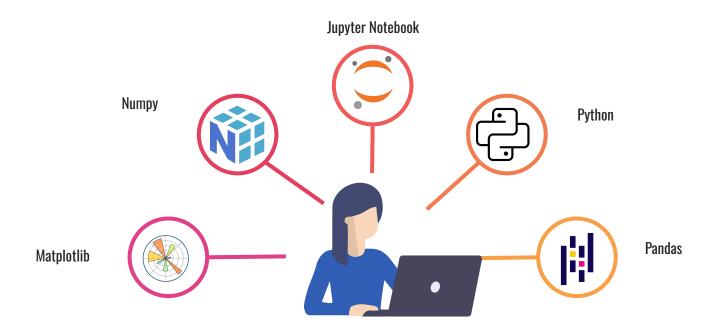
Missing Values:

lot_acres (10 missing)
fireplaces (25 missing)
sqrt_ft, garage, and HOA have None values (Need conversion to NaN)

Potential Issues to Address



Technology used in EDA



Exploratory Data Analysis (EDA)

Overview of EDA: EDA is a crucial step in understanding the dataset and its underlying patterns before building any machine learning models.

Missing Values

Identify missing values in the dataset.

Summary Statistics

Analyze mean, median, and standard deviation for numerical variables.

Data Distribution:

Visualize the distribution of key features (e.g., sold_price, lot_acres, etc.)



Outliers Handling: Mention any outliers that were identified and handled (if applicable).



Data Transformation: Explain any transformation, such as creating new features



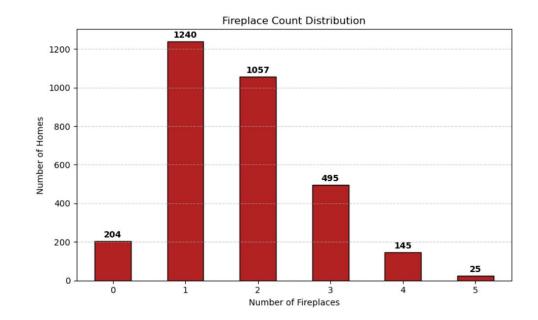


Target Variable Creation:

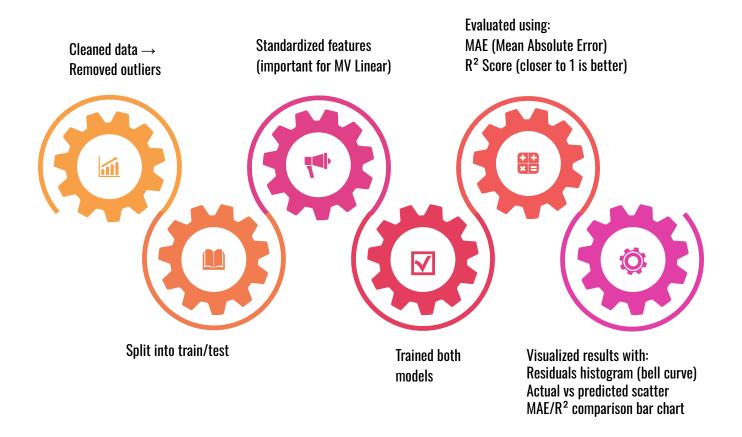
Target: fireplaces (0 to 5)

Features used:

- sold_price, zipcode, sqrt_ft, lot_acres, year_built, bedrooms, bathrooms, garage
- ~3166 cleaned row



Implementation Flow



Models Used

A. KNN Regressor (Custom Implementation)

- Predicts based on similar nearby homes
- No assumption of linearity great for real-world, uneven data



B. Multivariate Linear Regression (Custom SGD version)

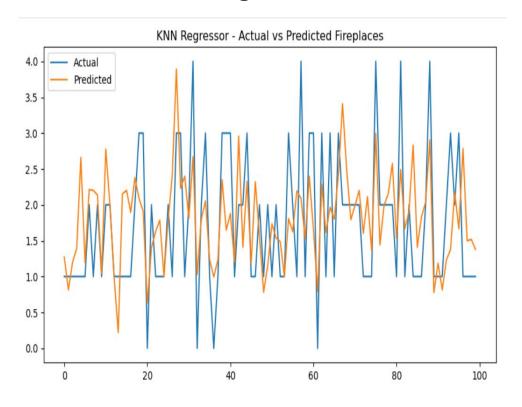
- Assumes a linear relationship between features and fireplaces
- We trained it using gradient descent

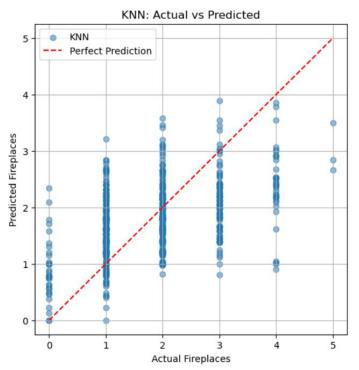
Key Observations

- KNN Regressor performed better
 - Lower MAE
 - Positive R² (closer to 0.5 depending on K)
- Linear Regression failed
 - o R² was negative
 - Predictions were worse than just guessing the average
- Likely reason: Fireplace counts are skewed (mostly 1 or 2) \rightarrow not ideal for linear models



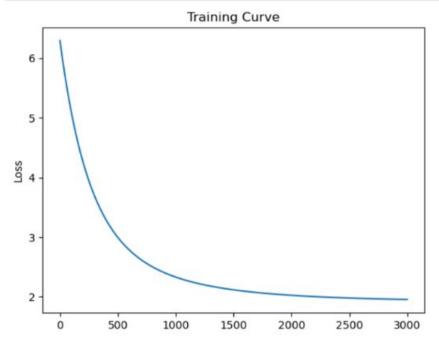
KNN Regressor - Actual vs Predicted Fireplaces

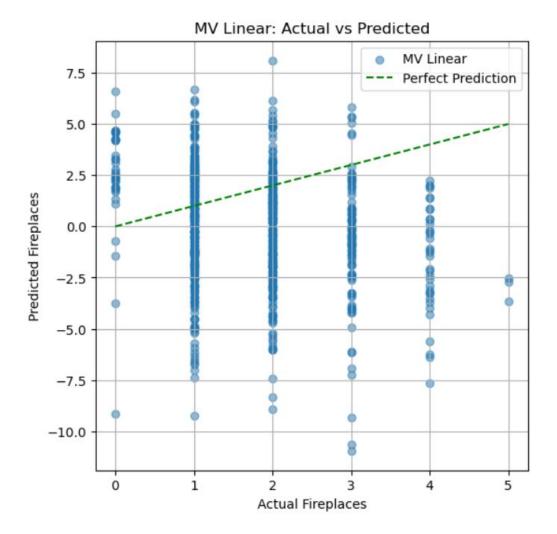




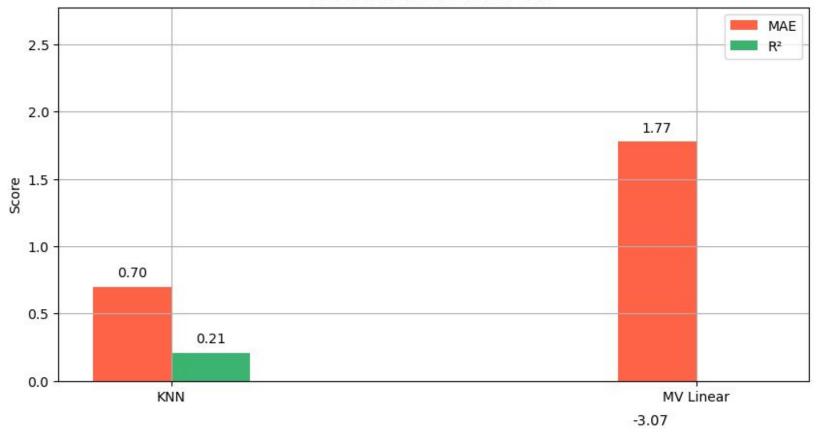
Train and Predict with MV Linear Regression

```
linreg = MVLinearRegression()
linreg.fit(X_train_scaled, y_train, eta=1e-3, epochs=3000)
y_pred_lin = linreg.predict(X_test_scaled)
```





Model Performance: MAE vs R²



Improvements / Future Work

- Try KNN Classifier or Decision Trees (fireplaces = discrete)
- Add more features (e.g., neighborhood quality, presence of chimney)
- Use GridSearch for better K in KNN
- Handle skew with techniques like SMOTE (for classification)
- Try ensemble models like Random Forests for more power

Final Statement

- Built and compared two custom ML models to predict the number of fireplaces in homes.
- KNN performed better due to the non-linear nature of the data, while MV Linear struggled.

Thank you!