

### Question 1

What is the optimal value of alpha for ridge and lasso regression? What will be the changes in the model if you choose to double the value of alpha for both ridge and lasso? What will be the most important predictor variables after the change is implemented?

Answer: The optimal value we calculated for Ridge and Lasso are: Ridge :0.01595422271115424 Lasso: 0.01587558118082229

If we made the changes on alpha as suggested, it affected the R2 score and downgraded it. These are important variables

GrLivArea, OverallQual, MSZoning\_RL, TotalBsmtSF, MSZoning\_RM, OverallCon, MSZoning\_FV .etc.

### Question 2

You have determined the optimal value of lambda for ridge and lasso regression during the assignment. Now, which one will you choose to apply and why?

Answer: So after building a model using Lasso and Ridge, we observed that there is a slight difference between Lasso and Ridge. Lasso has the ability to eliminate and make it to zero if a feature is very less useful. However, Ridge does not have this functionality, so I will go for Lasso if there are a small significant number of parameters, otherwise will go for Ridge.

### Question 3

After building the model, you realised that the five most important predictor variables in the lasso model are not available in the incoming data. You will now have to create another model excluding the five most important predictor variables. Which are the five most important predictor variables now?

Answer: These are the five most important variables :

GrLivAr

OverallQual

MSZoning\_RL

TotalBsmtSF

MSZoning\_RM

### Question 4

How can you make sure that a model is robust and generalisable? What are the implications of the same for the accuracy of the model and why?

Answer

We calculated the mean squared error for both Ridge and Lasso, also calculated the R2 value as well.

Mean squared error

Ridge :0.01595422271115424

Lasso: 0.01587558118082229

R2 Score

Ridge : R2 score on Train dataset: 0.9278094061668625

R2 score on Test dataset: 0.8915028372858621

Lasso: R2 score on Train dataset: 0.9277597237432917

R2 score on Test dataset: 0.8920376413353598