Question 1: Question1: What is the optimal value of alpha for ridge and lasso regression? What will be the changes in the model if you choose double the value of alpha for both ridge and lasso? What will be the most important predictor variables after the change is implemented?

Answer1

Optimal value of alpha for ridge: **10**

Optimal value of alpha for ridge: **100**

After make the double alpha for ridge and lasso i.e. **20 and 200**

For Ridge: Coeff values are increasing as alpha will increase.r2_score of train data is also drop from .807 to 0.45

For Lasso: As alpha value increased more feautrues removed from model. But r2score is also dropped by 1% in both test and train data

Top Features: Neighborhood_NoRidge, Neighborhood_NridgHt, OverallQual, overallQual Neighborhood_Veenkar

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 2:

We will choose Lasso as its giving feature selection option also. It has removed unwanted features from model without affecting the model accuracy. Which makes are model generalized and simple and accurate.

Question 3

After building the model, you realized 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 3:

Top 5 features are Neighborhood_NoRidge, Neighborhood_NridgHt, 2ndFlrSF, OverallQual, Neighborhood_Veenker. After dropping them model accuracy reduced from 80 and 81% to 55% and 58%. Now top most features are: **Next top 5 features** after droping 5 main predictors 1stFlrSF, MSSubClass_90, MSSubClass_120, TotalBsmtSF, HouseStyle_1Story

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 4:

To make model robust and generalizable 3 features are required:

1. **Model accuracy** should be $> 70\text{-}75\%$: I our case its coming 80%(Train) and 81%(Test) which is correct.
2. **P-value** of all the features is < 0.05
3. **VIF** of all the features are < 5

So we can confirm that model is robust and generalizable.