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## - Data Science Regression Project: Predicting Home Prices in Banglore

Dataset is downloaded from here: https://www.kaggle.com/amitabhajoy/bengaluru-house-price-data

Importing all the required libraries:

```
import warnings
warnings.filterwarnings("ignore")

import pandas as pd
import numpy as np
from matplotlib import pyplot as plt
%matplotlib inline
import matplotlib
matplotlib.rcParams["figure.figsize"] = (20,10)
```

Data Load: Load banglore home prices into a dataframe

```
df1 = pd.read_csv("/content/Bengaluru_House_Data.csv")
df1
```

	area_type	availability	location	size	society	total_sqft	bath	balcony	price
0	Super built- up Area	19 <b>-</b> Dec	Electronic City Phase II	2 BHK	Coomee	1056	2.0	1.0	39.07
1	Plot Area	Ready To Move	Chikka Tirupathi	4 Bedroom	Theanmp	2600	5.0	3.0	120.00
2	Built-up Area	Ready To Move	Uttarahalli	3 BHK	NaN	1440	2.0	3.0	62.00
3	Super built- up Area	Ready To Move	Lingadheeranahalli	3 BHK	Soiewre	1521	3.0	1.0	95.00
4	Super built- up Area	Ready To Move	Kothanur	2 BHK	NaN	1200	2.0	1.0	51.00
13315	Built-up Area	Ready To Move	Whitefield	5 Bedroom	ArsiaEx	3453	4.0	0.0	231.00
13316	Super built- up Area	Ready To Move	Richards Town	4 BHK	NaN	3600	5.0	NaN	400.00

```
df1.shape
```

(13320, 9)

df1["area\_type"].value\_counts()

Super built-up Area 8790
Built-up Area 2418
Plot Area 2025
Carpet Area 87
Name: area\_type, dtype: int64

### Drop features that are not required to build our model

```
df2 = df1.drop(['area_type', 'society', 'balcony', 'availability'], axis='columns')
df2.head()
```

	location	size	total_sqft	bath	price	1
0	Electronic City Phase II	2 BHK	1056	2.0	39.07	
1	Chikka Tirupathi	4 Bedroom	2600	5.0	120.00	
2	Uttarahalli	3 BHK	1440	2.0	62.00	
3	Lingadheeranahalli	3 BHK	1521	3.0	95.00	

# → Data Cleaning: Handle NA values

```
location
                               size total sqft bath
                                                         price
0 Electronic City Phase II
                             2 BHK
                                            1056
                                                    2.0
                                                          39.07
1
         Chikka Tirupathi 4 Bedroom
                                            2600
                                                    5.0
                                                         120.00
2
              Uttarahalli
                             3 BHK
                                            1440
                                                          62.00
3
       Lingadheeranahalli
                             3 BHK
                                            1521
                                                    3.0
                                                          95.00
4
               Kothanur
                             2 BHK
                                            1200
                                                    2.0
                                                          51.00
```

	location	size	total_sqft	bath	price	bhk	1
0	Electronic City Phase II	2 BHK	1056	2.0	39.07	2	
1	Chikka Tirupathi	4 Bedroom	2600	5.0	120.00	4	
2	Uttarahalli	3 BHK	1440	2.0	62.00	3	
3	Lingadheeranahalli	3 BHK	1521	3.0	95.00	3	
4	Kothanur	2 BHK	1200	2.0	51.00	2	

# ▼ Feature Engineering

Add new feature(integer) for bhk (Bedrooms Hall Kitchen)

```
df3['bhk'].unique()
     array([ 2, 4, 3, 6, 1, 8, 7, 5, 11, 9, 27, 10, 19, 16, 43, 14, 12,
            13, 18])
df3[df3.bhk>20]
                       location
                                       size total_sqft bath price bhk
      1718 2Electronic City Phase II
                                     27 BHK
                                                   8000
                                                               230.0
      4684
                     Munnekollal 43 Bedroom
                                                   2400
                                                         40.0
                                                               660.0
df3.total_sqft.unique()
     array(['1056', '2600', '1440', ..., '1133 - 1384', '774', '4689'],
```

### Explore total\_sqft feature

def is\_float(x):

```
try:
float(x)
except:
return False
return True
```

df3[~df3['total\_sqft'].apply(is\_float)].head(10)

	location	size	total_sqft	bath	price	bhk	10-
30	Yelahanka	4 BHK	2100 - 2850	4.0	186.000	4	
122	Hebbal	4 BHK	3067 - 8156	4.0	477.000	4	
137	8th Phase JP Nagar	2 BHK	1042 - 1105	2.0	54.005	2	
165	Sarjapur	2 BHK	1145 - 1340	2.0	43.490	2	
188	KR Puram	2 BHK	1015 - 1540	2.0	56.800	2	
410	Kengeri	1 BHK	34.46Sq. Meter	1.0	18.500	1	
549	Hennur Road	2 BHK	1195 - 1440	2.0	63.770	2	
648	Arekere	9 Bedroom	4125Perch	9.0	265.000	9	
661	Yelahanka	2 BHK	1120 - 1145	2.0	48.130	2	
672	Bettahalsoor	4 Bedroom	3090 - 5002	4.0	445.000	4	

Above shows that total\_sqft can be a range (e.g. 2100-2850). For such case we can just take average of min and max value in the range. There are other cases such as 34.46Sq. Meter which one can convert to square ft using unit conversion. I am going to just drop such corner cases to keep things simple.

```
def convert_sqft_to_num(x):
   tokens = x.split('-')
   if len(tokens) == 2:
        return (float(tokens[0])+float(tokens[1]))/2
   try:
        return float(x)
   except:
        return None

convert_sqft_to_num('1598')
        1598.0

convert_sqft_to_num('3067 - 8156')
        5611.5
```

```
convert_sqft_to_num('34.46Sq. Meter')

df4 = df3.copy()
df4['total_sqft'] = df4['total_sqft'].apply(convert_sqft_to_num)
df4.head()
```

	location	size	total_sqft	bath	price	bhk	1
0	Electronic City Phase II	2 BHK	1056.0	2.0	39.07	2	
1	Chikka Tirupathi	4 Bedroom	2600.0	5.0	120.00	4	
2	Uttarahalli	3 BHK	1440.0	2.0	62.00	3	
3	Lingadheeranahalli	3 BHK	1521.0	3.0	95.00	3	
4	Kothanur	2 BHK	1200.0	2.0	51.00	2	

### For below row, it shows total\_sqft as 5611.5 which is an average of the range 3067 - 8156

	location	size	total_sqft	bath	price	bhk	1
0	Electronic City Phase II	2 BHK	1056.0	2.0	39.07	2	
1	Chikka Tirupathi	4 Bedroom	2600.0	5.0	120.00	4	
2	Uttarahalli	3 BHK	1440.0	2.0	62.00	3	
3	Lingadheeranahalli	3 BHK	1521.0	3.0	95.00	3	
4	Kothanur	2 BHK	1200.0	2.0	51.00	2	

# ▼ Feature Engineering

### Add new feature called price per square feet

```
df5 = df4.copy()
df5['price_per_sqft'] = df5['price']*100000/df5['total_sqft']
df5.head()
```

	location	size	total_sqft	bath	price	bhk	price_per_sqft	1
0	Electronic City Phase II	2 BHK	1056.0	2.0	39.07	2	3699.810606	
1	Chikka Tirupathi	4 Bedroom	2600.0	5.0	120.00	4	4615.384615	
2	Uttarahalli	3 BHK	1440.0	2.0	62.00	3	4305.555556	
3	Lingadheeranahalli	3 BHK	1521.0	3.0	95.00	3	6245.890861	
4	Kothanur	2 BHK	1200.0	2.0	51.00	2	4250.000000	

df5['location'].value\_counts()

```
Whitefield
                     534
Sarjapur Road
Electronic City
                     302
Kanakpura Road
                     266
Thanisandra
Vidyapeeta
Maruthi Extension
Okalipura
                      1
Old Town
                      1
Abshot Layout
Name: location, Length: 1304, dtype: int64
```

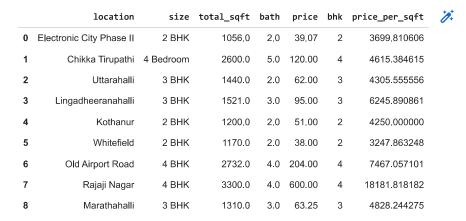
Examine locations which is a categorical variable. We need to apply dimensionality reduction technique here to reduce number of locations

```
df5.location = df5.location.apply(lambda x: x.strip())
location_stats = df5.groupby('location')['location'].agg('count').sort_values(ascending=False)
location_stats
     location
    Whitefield
    Sarjapur Road
                              392
    Electronic City
                              304
    Kanakpura Road
                              236
    Thanisandra
    1 Giri Nagar
    Kanakapura Road,
                                1
    Kanakapura main Road
                                1
    Karnataka Shabarimala
    whitefiled
    Name: location, Length: 1293, dtype: int64
len(location_stats[location_stats<=10])</pre>
    1052
```

## Dimensionality Reduction

Any location having less than 10 data points should be tagged as "other" location. This way number of categories can be reduced by huge amount. Later on when we do one hot encoding, it will help us with having fewer dummy columns.

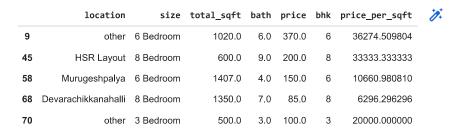
```
location stats less than 10 = location stats[location stats<=10]</pre>
location_stats_less_than_10
    location
    Basapura
                              10
     1st Block Koramangala
    Gunjur Palya
                              10
    Kalkere
                              10
     Sector 1 HSR Layout
    1 Giri Nagar
                               1
     Kanakapura Road,
                               1
     Kanakapura main Road
                               1
    Karnataka Shabarimala
                               1
    whitefiled
     Name: location, Length: 1052, dtype: int64
len(df5.location.unique())
     1293
df5.location = df5.location.apply(lambda x: 'other' if x in location_stats_less_than_10 else x)
len(df5.location.unique())
     242
df5.head(10)
```



## Outlier Removal Using Business Logic

As a data scientist when you have a conversation with your business manager (who has expertise in real estate), he will tell you that normally square ft per bedroom is 300 (i.e. 2 bhk apartment is minimum 600 sqft. If you have for example 400 sqft apartment with 2 bhk than that seems suspicious and can be removed as an outlier. We will remove such outliers by keeping our minimum thresold per bhk to be 300 sqft

df5[df5.total\_sqft/df5.bhk<300].head()



Check above data points. We have 6 bhk apartment with 1020 sqft. Another one is 8 bhk and total sqft is 600. These are clear data errors that can be removed safely

# - Outlier Removal Using Standard Deviation and Mean

```
df6.price_per_sqft.describe()
     count
               12456.000000
     mean
                6308.502826
                4168,127339
     std
     min
                 267.829813
     25%
                4210.526316
     50%
                5294.117647
     75%
                6916,666667
              176470.588235
     Name: price per sqft, dtype: float64
```

Here we find that min price per sqft is 267 rs/sqft whereas max is 12000000, this shows a wide variation in property prices. We should remove outliers per location using mean and one standard deviation

```
def remove_pps_outliers(df):
    df out = pd.DataFrame()
```

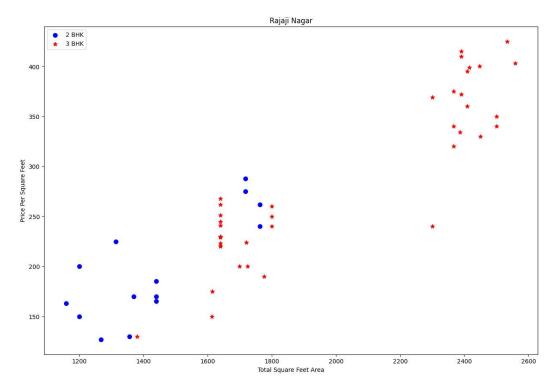
```
for key, subdf in df.groupby('location'):
    m = np.mean(subdf.price_per_sqft)
    st= np.std(subdf.price_per_sqft)
    reduced_df = subdf[(subdf.price_per_sqft>(m-st)) & (subdf.price_per_sqft<=(m+st))]
    df_out = pd.concat([df_out,reduced_df],ignore_index=True)
    return df_out

df7 = remove_pps_outliers(df6)
df7.shape
    (10241, 7)</pre>
```

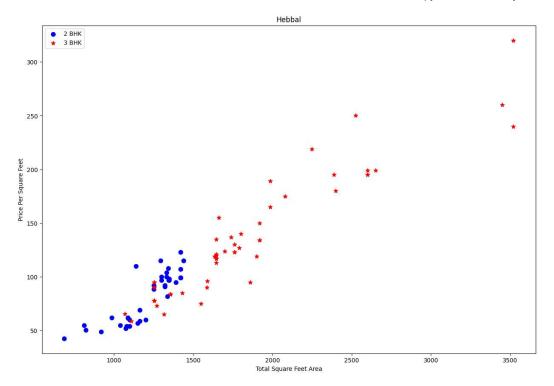
### Let's check if for a given location how does the 2 BHK and 3 BHK property prices look like

```
def plot_scatter_chart(df,location):
    bhk2 = df[(df.location==location) & (df.bhk==2)]
    bhk3 = df[(df.location==location) & (df.bhk==3)]
    matplotlib.rcParams['figure.figsize'] = (15,10)
    plt.scatter(bhk2.total_sqft,bhk2.price,color='blue',label='2 BHK', s=50)
    plt.scatter(bhk3.total_sqft,bhk3.price,marker='*', color='red',label='3 BHK', s=50)
    plt.xlabel("Total Square Feet Area")
    plt.ylabel("Price Per Square Feet")
    plt.title(location)
    plt.legend()
```

plot\_scatter\_chart(df7,"Rajaji Nagar")



```
plot_scatter_chart(df7,"Hebbal")
```



# We should also remove properties where for same location, the price of (for example) 3 bedroom apartment is less than 2 bedroom apartment (with same square ft area). What we will do is for a given location, we will build a dictionary of stats per bhk, i.e.

```
{
'1':{
    'mean':4000,
    'std':2000,
    'count':34
},
'2':{
    'mean':4300,
    'std':2300,
    'count':22
},
}
```

Now we can remove those 2 BHK apartments whose price\_per\_sqft is less than mean price\_per\_sqft of 1 BHK apartment.

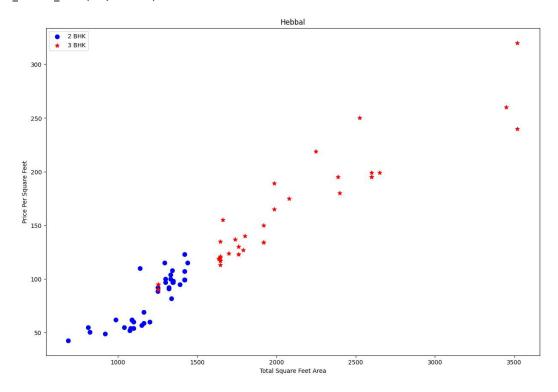
```
def remove_bhk_outlier(df):
    exclude_indices = np.array([])
    for location, location_df in df.groupby('location'):
        bhk_stats = {}
        for bhk, bhk_df in location_df.groupby('bhk'):
            bhk_stats[bhk] = {
                'mean': np.mean(bhk_df.price_per_sqft),
                'std': np.std(bhk_df.price_per_sqft),
                 'count': bhk_df.shape[0]
        }
}
```

```
for bhk, bhk_df in location_df.groupby('bhk'):
    stats = bhk_stats.get(bhk-1)
    if stats and stats['count']>5:
        exclude_indices = np.append(exclude_indices, bhk_df[bhk_df.price_per_sqft<(stats['mean'])].index.values)
    return df.drop(exclude_indices, axis='index')

df8 = remove_bhk_outlier(df7)
df8.shape
    (7329, 7)</pre>
```

#### Plot same scatter chart again to visualize price\_per\_sqft for 2 BHK and 3 BHK properties

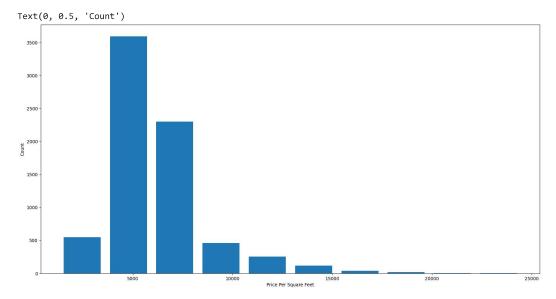
plot\_scatter\_chart(df8,"Hebbal")



Based on above charts we can see that data points highlighted in red below are outliers and they are being removed due to remove\_bhk\_outliers function

## → Before and after outlier removal: Hebbal

```
import matplotlib
matplotlib.rcParams["figure.figsize"] = (20,10)
plt.hist(df8.price_per_sqft,rwidth=0.8)
plt.xlabel("Price Per Square Feet")
plt.ylabel("Count")
```



# Outlier Removal Using Bathrooms Feature

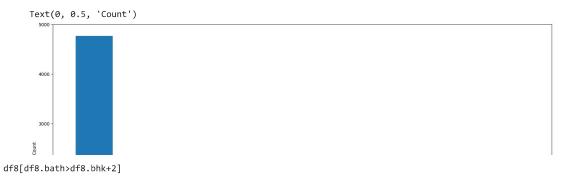
```
df8.bath.unique()
    array([ 4., 3., 2., 5., 8., 1., 6., 7., 9., 12., 16., 13.])

df8[df8.bath>10]
```

	location	size	total_sqft	bath	price	bhk	price_per_sqft	1
5277	Neeladri Nagar	10 BHK	4000.0	12.0	160.0	10	4000.000000	
8486	other	10 BHK	12000.0	12.0	525.0	10	4375.000000	
8575	other	16 BHK	10000.0	16.0	550.0	16	5500.000000	
9308	other	11 BHK	6000.0	12.0	150.0	11	2500.000000	
9639	other	13 BHK	5425.0	13.0	275.0	13	5069.124424	

### It is unusual to have 2 more bathrooms than number of bedrooms in a home

```
plt.hist(df8.bath,rwidth=0.8)
plt.xlabel("Number of Bathrooms")
plt.ylabel("Count")
```



	location	size	total_sqft	bath	price	bhk	price_per_sqft	1
1626	Chikkabanavar	4 Bedroom	2460.0	7.0	80.08	4	3252.032520	
5238	Nagasandra	4 Bedroom	7000.0	8.0	450.0	4	6428.571429	
6711	Thanisandra	3 BHK	1806.0	6.0	116.0	3	6423.034330	
8411	other	6 BHK	11338.0	9.0	1000.0	6	8819.897689	

Again the business manager has a conversation with you (i.e. a data scientist) that if you have 4 bedroom home and even if you have bathroom in all 4 rooms plus one guest bathroom, you will have total bath = total bed + 1 max. Anything above that is an outlier or a data error and can be removed

	location	total_sqft	bath	price	bhk	1
0	1st Block Jayanagar	2850.0	4.0	428.0	4	
1	1st Block Jayanagar	1630.0	3.0	194.0	3	
2	1st Block Jayanagar	1875.0	2.0	235.0	3	
3	1st Block Jayanagar	1200.0	2.0	130.0	3	
4	1st Block Jayanagar	1235.0	2.0	148.0	2	

# Use One Hot Encoding For Location

dummies = pd.get\_dummies(df10.location)
dummies.head()

	1st Block Jayanagar	1st Phase JP Nagar	2nd Phase Judicial Layout	2nd Stage Nagarbhavi	5th Block Hbr Layout	5th Phase JP Nagar	JP	7th Phase JP Nagar	JP	JP	•••	Vishveshwarya Layou1
0	1	0	0	0	0	0	0	0	0	0		(
1	1	0	0	0	0	0	0	0	0	0		(
2	1	0	0	0	0	0	0	0	0	0		(
3	1	0	0	0	0	0	0	0	0	0		(
4	1	0	0	0	0	0	0	0	0	0		(

5 rows × 242 columns



df11 = pd.concat([df10,dummies.drop('other',axis='columns')],axis='columns')
df11.head()

	location	total_sqft	bath	price	bhk	1st Block Jayanagar	1st Phase JP Nagar	2nd Phase Judicial Layout	2nd Stage Nagarbhavi	5th Block Hbr Layout	 Vijayan
0	1st Block Jayanagar	2850.0	4.0	428.0	4	1	0	0	0	0	
1	1st Block Jayanagar	1630.0	3.0	194.0	3	1	0	0	0	0	
2	1st Block Jayanagar	1875.0	2.0	235.0	3	1	0	0	0	0	
3	1st Block Jayanagar	1200.0	2.0	130.0	3	1	0	0	0	0	
4	1st Block Jayanagar	1235.0	2.0	148.0	2	1	0	0	0	0	

5 rows × 246 columns



df12 = df11.drop('location',axis='columns')
df12.head()

	total_sqft	bath	price	bhk	1st Block Jayanagar	1st Phase JP Nagar	2nd Phase Judicial Layout	2nd Stage Nagarbhavi	5th Block Hbr Layout	5th Phase JP Nagar	•••	Vijayanagar
0	2850.0	4.0	428.0	4	1	0	0	0	0	0		(
1	1630.0	3.0	194.0	3	1	0	0	0	0	0		(
2	1875.0	2.0	235.0	3	1	0	0	0	0	0		(
3	1200.0	2.0	130.0	3	1	0	0	0	0	0		(
4	1235.0	2.0	148.0	2	1	0	0	0	0	0		(

5 rows × 245 columns



## - Build a Model Now

```
1st
                                                     2nd
                                                                         5th
                                                                                5th
                                                                                       6th
                              1st Block Phase
                                                    Phase
                                                           2nd Stage
                                                                       Block Phase Phase
        total sqft bath bhk
                                                                                            ... Vijayanagar
                               Jayanagar
                                             JP Judicial Nagarbhavi
                                                                         Hbr
                                                                                 JР
                                                                                        JР
y = df12.price
y.head()
          428.0
          194.0
    1
     2
          235.0
          130.0
         148.0
    4
    Name: price, dtype: float64
# Split the data into training and testing sets
from sklearn.model_selection import train_test_split
X_train, X_test, y_train, y_test = train_test_split(X, y, test_size=0.3, random_state=12)
X_train.head()
```

	total_sqft	bath	bhk	1st Block Jayanagar	1st Phase JP Nagar	2nd Phase Judicial Layout	2nd Stage Nagarbhavi	5th Block Hbr Layout	5th Phase JP Nagar	JР	•••	Vijayana
4425	930.0	1.0	1	0	0	0	0	0	0	0		
6126	1418.0	2.0	2	0	0	0	0	0	0	0		
9866	1500.0	2.0	3	0	0	0	0	0	0	0		
9681	703.0	2.0	2	0	0	0	0	0	0	0		
4351	480.0	1.0	1	0	0	0	0	0	0	0		

5 rows × 244 columns



```
# Create and train the model with the scaled data
from sklearn.linear_model import LinearRegression
lr = LinearRegression()
lr.fit(X_train, y_train)
```

v LinearRegression
LinearRegression()

```
from \ sklearn.linear\_model \ import \ LinearRegression
```

```
lr = LinearRegression()
lr.fit(X_train,y_train)
lr.score(X_test,y_test)
```

### 0.8348000128099851

```
# Evaluate the model on the training set
train_score = lr.score(X_train, y_train)
print("Training Score:", train_score)

# Evaluate the model on the testing set
test_score = lr.score(X_test, y_test)
print("Testing Score:", test_score)

    Training Score: 0.8609735915892132
    Testing Score: 0.8348000128099851

from sklearn.metrics import r2_score
y pred=lr.predict(X test)
```

"R2\_Score:0.8348000128099851"

f'R2\_Score:{r2\_score(y\_test,y\_pred)}'

```
from sklearn.metrics import mean_squared_error
import math

mse = mean_squared_error(y_test, y_pred)

print("MSE:",mse)

f'RMSE: {math.sqrt(mse)}'

    MSE: 1730.762493803334
    'RMSE: 41.602433748560124'
```

## - Use K Fold cross validation to measure accuracy of our LinearRegression model

```
from sklearn.model_selection import ShuffleSplit
from sklearn.model_selection import cross_val_score

cv= ShuffleSplit(n_splits=5, test_size=0.3, random_state=2)

cross_val_score(LinearRegression(), X, y, cv=cv)

array([0.87690805, 0.85547384, 0.8667124 , 0.80282047, 0.86418576])
```

We can see that in 5 iterations we get a score above 80% all the time. This is pretty good but we want to test few other algorithms for regression to see if we can get even better score. We will use GridSearchCV for this purpose

## Find best model using GridSearchCV

```
from sklearn.model_selection import GridSearchCV
from sklearn.linear_model import Lasso
from sklearn.tree import DecisionTreeRegressor
def find_best_model_using_gridsearchcv(X,y):
   algos = {
        'linear_regression' : {
            'model': LinearRegression(),
            'params': {
           }
        },
        'lasso': {
            'model': Lasso(),
            'params': {
                'alpha': [1,2],
                'selection': ['random', 'cyclic']
       },
        decision_tree': {
            'model': DecisionTreeRegressor(),
                'criterion' : ['mse', 'friedman_mse'],
                'splitter': ['best', 'random']
           }
       }
   }
   scores = []
   cv = ShuffleSplit(n_splits=5, test_size=0.3, random_state=2)
   for algo_name, config in algos.items():
       gs = GridSearchCV(config['model'], config['params'], cv=cv, return_train_score=False)
        gs.fit(X,y)
        scores.append({
            'model': algo name,
            'best_score': gs.best_score_,
            'best_params': gs.best_params_
   return pd.DataFrame(scores,columns=['model','best_score','best_params'])
find_best_model_using_gridsearchcv(X,y)
```

1	best_params	best_score	model	
	{}	0.853220	linear_regression	0
	{'alpha': 1, 'selection': 'random'}	0.718998	lasso	1
	{'criterion': 'friedman mse', 'splitter': 'best'}	0.723622	decision tree	2

Based on above results we can say that LinearRegression gives the best score. Hence we will use that.

# - Test the model for few properties:

```
def predict_price(location,sqft,bath,bhk):
   loc_index = np.where(X.columns==location)[0][0]
   x = np.zeros(len(X.columns))
   x[0] = sqft
   x[1] = bath
   x[2] = bhk
   if loc_index >= 0:
       x[loc\_index] = 1
   return lr.predict([x])[0]
predict_price('1st Phase JP Nagar',1000, 2, 2)
     82.00911568034275
predict_price('1st Phase JP Nagar',1100, 2, 3)
    86.11167949240634
predict_price('Indira Nagar',1000, 2, 2)
    179.2728041910521
predict_price('Indira Nagar',1200, 3, 3)
    193.83271302815285
predict_price('Indira Nagar',2000, 3, 4)
    255.4572453380568
```