Airbnb Seattle Market, An Exploratory & Predictive Analysis

Market Assigned to the team: SEATTLE

"We, the undersigned, certify that the report submitted is our own original work; all authors participated in the work in a substantiative way; all authors have seen and approved the report as submitted; the text, images, illustrations, and other items included in the manuscript do not carry any infringement / plagiarism issue upon any existing copyrighted materials."

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```
library(stringr)
library(tidyr)
library(mice)
## Warning: package 'mice' was built under R version 3.6.3
##
## Attaching package: 'mice'
## The following objects are masked from 'package:base':
##
       cbind, rbind
##
library(dplyr)
## Attaching package: 'dplyr'
## The following objects are masked from 'package:stats':
##
##
       filter, lag
```

```
## The following objects are masked from 'package:base':
##
##
      intersect, setdiff, setequal, union
library(mice)
library(randomForest)
## Warning: package 'randomForest' was built under R version 3.6.3
## randomForest 4.6-14
## Type rfNews() to see new features/changes/bug fixes.
## Attaching package: 'randomForest'
## The following object is masked from 'package:dplyr':
##
##
      combine
library(tidyverse)
## -- Attaching packages ------ tidyverse 1.
3.0 --
## v ggplot2 3.2.1 v purrr 0.3.3
## v tibble 2.1.3 v forcats 0.4.0
## v readr
          1.3.1
## -- Conflicts ----- tidyverse_conflict
s() --
## x randomForest::combine() masks dplyr::combine()
library(tidymodels)
## Registered S3 method overwritten by 'xts':
    method
             from
    as.zoo.xts zoo
## -- Attaching packages ----- tidymodels 0.
0.3 --
## v broom
            0.5.3
                     v recipes
                               0.1.9
## v dials
            0.0.4
                   v rsample
                               0.0.5
## v infer
            0.5.1
                     v yardstick 0.0.4
## v parsnip
            0.0.5
## -- Conflicts ----- tidymodels conflict
s() --
## x randomForest::combine() masks dplyr::combine()
```

```
## x scales::discard()
                             masks purrr::discard()
                             masks stats::filter()
## x dplyr::filter()
## x recipes::fixed()
                             masks stringr::fixed()
## x dplyr::lag()
                             masks stats::lag()
## x dials::margin()
                             masks ggplot2::margin(), randomForest::margin()
## x yardstick::spec()
                             masks readr::spec()
## x recipes::step()
                             masks stats::step()
## x recipes::yj_trans()
                             masks scales::yj_trans()
library(caret)
## Loading required package: lattice
##
## Attaching package: 'caret'
## The following objects are masked from 'package:yardstick':
##
       precision, recall
##
## The following object is masked from 'package:purrr':
##
       lift
##
library(skimr)
library(plotly)
##
## Attaching package: 'plotly'
## The following object is masked from 'package:ggplot2':
##
##
       last plot
## The following object is masked from 'package:stats':
##
##
       filter
## The following object is masked from 'package:graphics':
##
##
       layout
library(leaflet)
## Warning: package 'leaflet' was built under R version 3.6.3
library(widgetframe)
## Warning: package 'widgetframe' was built under R version 3.6.3
## Loading required package: htmlwidgets
library(bs4Dash)
```

```
## Warning: package 'bs4Dash' was built under R version 3.6.3
##
## Attaching package: 'bs4Dash'
## The following object is masked from 'package:graphics':
##
##
       box
library(Imap)
## Attaching package: 'Imap'
## The following object is masked from 'package:purrr':
##
##
       imap
library(tidytext)
library(wordcloud)
## Warning: package 'wordcloud' was built under R version 3.6.3
## Loading required package: RColorBrewer
library(lubridate)
##
## Attaching package: 'lubridate'
## The following object is masked from 'package:base':
##
##
       date
library(tsibble)
## Warning: package 'tsibble' was built under R version 3.6.3
##
## Attaching package: 'tsibble'
## The following objects are masked from 'package:lubridate':
##
       interval, new_interval
##
## The following object is masked from 'package:dplyr':
##
##
       id
library(tmap)
## Warning: package 'tmap' was built under R version 3.6.3
library(tm)
```

```
## Warning: package 'tm' was built under R version 3.6.3

## Loading required package: NLP

##
## Attaching package: 'NLP'

## The following object is masked from 'package:ggplot2':
##
## annotate

library(RColorBrewer)
```

Executive Summary

All of the research and analysis done for this project is with the aim of building a case to present to investors to make them understand most profitable locations to buy properties for Airbnb's in Seattle. We have done this by running various exploratory and predictive analysis models. For data exploration we have we have various visualizations like box plots, bar graphs, maps and tables to understand relations between different variables and high booking rate. For predictive analytics we have run kNN, Random Forest, XG Boost and Logistic regression with XG Boost giving us the best accuracy. Through our analysis, we figured out what factors attract the most number of customers to present to the investors.

Research Questions

What are the popular times to join Airbnb among the hosts? According to our research on the city and the dataset, there has been a steady increase in apartment construction due to rising rental demands since 2010. This has led to a large number of hosts joining the lucrative business since then. A trend can be seen from the dataset wherein maximum number of hosts (about 19%) have joined Airbnb in the months of August to December. Our analysis suggests that this time is ideal for an establishment to be set up and gain enough traction to cater to a huge crowd which prefer the months of June to August to visit the city. Events like the Seattle International Film Festival (May-June), Seattle Pride (June), Seattle International Beer Fest (July) and Seattle Art Fair (August) attract a large audience from all over the country. Chilly winds and a lot of rainy days make this city almost unvisitable. Despite this, the city has a lot to offer, which led us to believe that there has to be a popular time when the weather is pleasant, which will see a surge in the tourist numbers. Accordingly, the hosts should have a favourite time to enlist their establishment with the company.

What effects price of the establishment in the city? In order to find factors affecting the price of an establishment in the city we built a number of models and compared the Root Mean Square Error to choose the best one. Using our domain knowledge gained by the research we did on the city and its establishments, variables like bathrooms, bed type, bedrooms, host verification, superhost, host listings count, maximum nights, amenities count, host response time, instant bookable, number of beds were taken as important variables. Using these factors we built a linear regression model, a KNN model and a Random Forest model with the last one giving the best analysis for the chosen variables.

The model concluded that these variables were statistically significant in deciding the price of an establishment. It is all about the money! The price of an establishment will ultimately decide how much profit the establishment will make. Therefore, we took this to be an important factor in deciding whether to invest in an establishment. Given all other factors about an establishment are known, the predicted price can help an investor calculate the worth of the property in the future.

What are the best neighbourhoods in Seattle to invest in? Neighbourhood plays an important role in the value of any establishment. Though our analysis we found this to be true for this city as well. Certain neighbourhoods had a noticeably larger number of establishment with high booking rates. Further their availability for 30, 60, 90 and 365 days were very low. Combining both analysis led us to believe that these neighbourhoods including Capitol Hill, First Hill, Belltown, Queen Anne and Madison Valley are particularly popular among the tourists. Further Capitol Hill also have some of the most expensive rentals (about 13%) which have a high booking rate. Expanding on the first question, as the festivals are held in certain locations, we considered location to be a deciding factor for an establishment to perform well. Building on this notion we considered some of the most popular establishments with high rents and plotted a map of the popular areas. We reached to the conclusion that for Seattle, location of the property was an important factor to decide if it will be profitable.

Can COVID-19 be a factor in deciding how to keep a property profitable? Data about the highly infected areas in the city was fetched. This allowed us to compare the data against the establishments in the vicinity. These establishments can be used by authorities to be rented for providing quality accommodation to front line workers while keeping their businesses running. This would not only promote the property but also keep the property profitable in the times when businesses are taking huge hits. Economies of all the countries have been effected largely due to COVID-19. Many businesses have shut down and others are suffering gravely. In such harsh times, can we somehow take advantage of the situation? This motivated us to look for a viable solution to deal with the declining profits.

METHODOLOGY

The dataset provided to us was was not clean and we had to skim through the data. We had to go through each column and replace the NA values. In some cases we had to replace the missing values with the mean and in some cases with the median whereas in others we had to replace them with a 0 or FALSE, example host_is_superhost, cleaning_fee. (We performed EDA on various variables to see the relation with higher booking rate. We did a lot of research on the airbnb website as well as through external sources. We used the data dictionary to understand the variables and built our research on that. We used the skim and str function to understand our variables. We ran regression to see what variables that were significant for us. We then used those in our final model, xgboost, which gave us the highest accuracy. We also included some variables which we thought were important after our online research. (For determining whether a property will have a higher booking rate, we put ourselves in the shoes of the customer booking an airbnb property. We confirmed our thinking through online research. After running our model on the entire data on kaggle, we achieved an accuracy of 89% using random forest. We then decided to test the model

only on our Seattle data. We ran Knn, logistic, random forest and xgBoost for our Seattle dataset. The xgboost which used mostly numeric and logical variables, performed the best with an accuracy of 95%. We have used various text mining techniques and predictive models in our data. XGBoost offers several advanced features for model tuning, computing environments and algorithm enhancement. The algorithm efficiently reduces computing time and allocates an optimal usage of memory resources on the system. This model creates a strong model based on weak classifiers. This helps improve the accuracy. We optimized the parameters of this model to our dataset to achieve this.

```
dfAirbnbTrainSeattle<- read csv("AirbnbSeattleTrain.csv")</pre>
## Parsed with column specification:
## cols(
##
     .default = col character(),
##
     id = col double(),
##
     high_booking_rate = col_double(),
##
     accommodates = col double(),
##
     availability_30 = col_double(),
##
     availability 365 = col double(),
##
     availability 60 = col double(),
##
     availability_90 = col_double(),
     bathrooms = col_double(),
##
##
     bedrooms = col_double(),
##
     beds = col_double(),
     guests_included = col_double(),
##
##
     host has profile pic = col logical(),
     host_identity_verified = col_logical(),
##
##
     host_is_superhost = col_logical(),
##
     host_listings_count = col_double(),
     host since = col date(format = ""),
##
##
     instant bookable = col logical(),
##
     is_business_travel_ready = col_logical(),
##
     is_location_exact = col_logical(),
##
     latitude = col double()
##
     # ... with 16 more columns
## )
## See spec(...) for full column specifications.
## Warning: 1 parsing failure.
## row
                                                                    file
            col
                               expected actual
## 4740 zipcode no trailing characters -4417 'AirbnbSeattleTrain.csv'
dfAirbnbTestSeattle <- read_csv("AirbnbSeattleTest.csv")</pre>
## Parsed with column specification:
## cols(
##
     .default = col_character(),
##
     id = col double(),
##
     accommodates = col double(),
```

```
##
     availability 30 = col double(),
##
     availability 365 = col double(),
##
     availability_60 = col_double(),
     availability_90 = col_double(),
##
     bathrooms = col double(),
##
##
     bedrooms = col_double(),
     beds = col double(),
##
##
     guests_included = col_double(),
     host_has_profile_pic = col_logical(),
##
     host_identity_verified = col_logical(),
##
     host_is_superhost = col_logical(),
##
##
     host listings count = col double(),
     host_since = col_date(format = ""),
##
##
     instant_bookable = col_logical(),
##
     is_business_travel_ready = col_logical(),
     is_location_exact = col_logical(),
##
##
     latitude = col double(),
##
     longitude = col double()
     # ... with 15 more columns
##
## )
## See spec(...) for full column specifications.
## Warning: 1 parsing failure.
                              expected actual
                                                                  file
## 1016 zipcode no trailing characters -4417 'AirbnbSeattleTest.csv'
table(dfAirbnbTrainSeattle$market)
##
             Los Angeles Other (International)
##
                                                              Seattle
##
                                                                 5399
skim(dfAirbnbTrainSeattle)
```

Data summary

Name dfAirbnbTrainSeattle

Number of rows 5414 Number of columns 66

Column type frequency:

character 30
Date 1
logical 9
numeric 26

Group variables

None

Variable type: character

skim_variable	n_missi ng	complete_ra te	mi n	max	empt y	n_uniqu e	whitespa ce
access	1927	0.64	1	100	0	3059	0
amenities	0	1.00	2	157 4	0	4701	0
bed_type	0	1.00	5	13	0	5	0
cancellation_policy	0	1.00	6	27	0	6	0
city	2	1.00	7	16	0	4	0
cleaning_fee	465	0.91	5	7	0	174	0
description	45	0.99	3	100 0	0	4766	3
extra_people	0	1.00	5	7	0	45	0
host_about	1462	0.73	1	413 4	0	2348	10
host_acceptance_rate	3	1.00	3	3	0	1	0
host_location	9	1.00	2	47	0	172	0
host_neighbourhood	523	0.90	4	25	0	123	0
host_response_rate	3	1.00	2	4	0	35	0
host_response_time	3	1.00	3	18	0	5	0
host_verifications	0	1.00	4	168	0	231	0
house_rules	1247	0.77	4	100 0	0	3133	0
interaction	1407	0.74	1	100 0	0	3131	0
market	13	1.00	7	21	0	3	0
monthly_price	4978	0.08	7	10	0	164	0
neighborhood_overvi ew	1583	0.71	7	100 0	0	3223	0
neighbourhood	1	1.00	4	25	0	79	0
notes	2312	0.57	1	100 0	0	2484	0
price	0	1.00	5	9	0	349	0
property_type	0	1.00	4	18	0	27	0
room_type	0	1.00	10	15	0	4	0

security_deposit	926	0.83	5	9	0	62	0
space	1069	0.80	2	100	0	3756	0
				0			
state	1	1.00	2	2	0	2	0
transit	1670	0.69	7	100	0	3279	0
				0			
weekly_price	4828	0.11	7	9	0	212	0

Variable type: Date

skim_variable	n_missing	complete_rate	min	max	median	n_unique
host_since	3	1	2008-03-	2019-11-	2015-04-	1992
			03	20	17	

Variable type: logical

skim_variable	n_missing	complete_rate	mean	count
host_has_profile_pic	3	1	1.00	TRU: 5406, FAL: 5
host_identity_verified	3	1	0.56	TRU: 3010, FAL: 2401
host_is_superhost	3	1	0.42	FAL: 3135, TRU: 2276
instant_bookable	0	1	0.52	TRU: 2802, FAL: 2612
is_business_travel_ready	0	1	0.00	FAL: 5414
is_location_exact	0	1	0.83	TRU: 4479, FAL: 935
require_guest_phone_verification	0	1	0.07	FAL: 5058, TRU: 356
require_guest_profile_picture	0	1	0.06	FAL: 5081, TRU: 333
requires_license	0	1	1.00	TRU: 5401, FAL: 13

Variable type: numeric

	n_m	compl								
	issin	ete_ra								
skim_variable	g	te	mean	sd	p0	p25	p50	p75	p100	hist
id	0	1.00	1101	583	1000	1051	1102	1152	1202	
			785.	40.8	048.	123.	283.	303.	090.	
			41	1	00	75	50	25	00	

high_booking_ rate	0	1.00	0.39	0.49	0.00	0.00	0.00	1.00	1.00	■
accommodate s	0	1.00	3.65	2.28	1.00	2.00	3.00	4.00	28.0 0	- -
availability_3 0	0	1.00	12.4 7	11.2	0.00	0.00	12.0 0	23.0	30.0	_ L_ -
availability_3 65	0	1.00	141. 19	133. 89	0.00	9.00	90.0 0	278. 00	365. 00	
availability_6 0	0	1.00	26.9 4	21.9 9	0.00	0.00	28.0 0	47.0 0	60.0 0	L
availability_9 0	0	1.00	43.7 2	33.9	0.00	0.00	49.0 0	76.0 0	90.0 0	L _1
bathrooms	2	1.00	1.32	0.64	0.00	1.00	1.00	1.50	8.00	L
bedrooms	4	1.00	1.38	1.01	0.00	1.00	1.00	2.00	8.00	_ L
beds	3	1.00	1.89	1.47	0.00	1.00	1.00	2.00	17.0 0	- I_
guests_includ ed	0	1.00	2.03	1.67	1.00	1.00	1.00	2.00	16.0 0	- I-
host_listings_ count	3	1.00	151. 10	436. 83	0.00	1.00	2.00	10.0	1825 .00	_ - -
latitude	0	1.00	47.6 3	0.05	47.5 0	47.6 1	47.6 2	47.6 6	47.7 3	
longitude	0	1.00	122. 33	0.03	- 122. 42	- 122. 35	122. 33	- 122. 31	- 122. 24	_ai
maximum_nig hts	0	1.00	603. 83	532. 20	1.00	29.0	.00	1125 .00	1125 .00	I_ I

minimum_nig hts	0	1.00	4.93	13.3	1.00	1.00	2.00	3.00	400. 00	I _
review_scores _accuracy	786	0.85	9.72	0.74	2.00	10.0	10.0	10.0 0	10.0 0	
review_scores _checkin	787	0.85	9.80	0.68	2.00	10.0	10.0	10.0	10.0	
review_scores _cleanliness	786	0.85	9.64	0.76	2.00	9.00	10.0	10.0 0	10.0	
review_scores _communicati on	786	0.85	9.80	0.69	2.00	10.0	10.0	10.0	10.0	
review_scores _location	788	0.85	9.80	0.58	2.00	10.0	10.0	10.0	10.0	
review_scores _rating	784	0.86	95.0 8	7.57	20.0	94.0 0	97.0 0	99.0 0	100. 00	
review_scores _value	787	0.85	9.51	0.82	2.00	9.00	10.0	10.0	10.0	
square_feet	515 2	0.05	698. 21	326. 59	0.00	580. 00	600. 00	1000	2100	_L
zipcode	99	0.98	9811 6.34	17.4 8	9810 1.00	9810 4.00	9811 5.00	9812 2.00	9819 9.00	L
{randomCont rol}	0	1.00	1244 97.3 5	289. 13	1240 00.0 0	1242 44.2 5	1244 97.0 0	1247 50.0 0	1249 99.0 0	
#Availibility_	365									

#Availibility_365

#it's clean

dfAirbnbTrainSeattle\$availability_365 <- as.numeric(dfAirbnbTrainSeattle\$avai
lability_365)</pre>

dfAirbnbTestSeattle\$availability_365 <- as.numeric(dfAirbnbTestSeattle\$availa
bility_365)</pre>

#amenities_count

dfAirbnbTrainSeattle\$amenities_count<-</pre>

sapply(dfAirbnbTrainSeattle\$amenities, function(x) length(unlist(strsplit(a
s.character(x), ','))))

```
dfAirbnbTestSeattle$amenities count<-</pre>
  sapply(dfAirbnbTestSeattle$amenities, function(x) length(unlist(strsplit(as
.character(x), ',')))
#host verifications count
dfAirbnbTrainSeattle$host verification count <-</pre>
  sapply(dfAirbnbTrainSeattle$host verifications, function(x) length(unlist(s)
trsplit(as.character(x), ','))))
dfAirbnbTestSeattle$host verification count <-
  sapply(dfAirbnbTestSeattle$host_verifications, function(x) length(unlist(st
rsplit(as.character(x), ','))))
#host age
dfAirbnbTrainSeattle$host_since <- as.Date(dfAirbnbTrainSeattle$host_since)</pre>
dfAirbnbTrainSeattle$host age <- as.integer(difftime(Sys.Date(), dfAirbnbTrai</pre>
nSeattle$host_since, units = 'weeks'))
summary(dfAirbnbTrainSeattle$host_age)
      Min. 1st Qu. Median
                              Mean 3rd Qu.
                                               Max.
                                                       NA's
                     264.0
      24.0
                             266.7
                                              635.0
##
             196.0
                                      349.0
                                                           3
dfAirbnbTrainSeattle$host age[is.na(dfAirbnbTrainSeattle$host age)] <- 301.6
dfAirbnbTestSeattle$host_since <- as.Date(dfAirbnbTestSeattle$host_since)</pre>
dfAirbnbTestSeattle$host age <- as.integer(difftime(Sys.Date(), dfAirbnbTestS</pre>
eattle$host since, units = 'weeks'))
summary(dfAirbnbTestSeattle$host_age)
##
      Min. 1st Qu. Median
                              Mean 3rd Qu.
                                               Max.
##
      25.0
             194.0
                     258.0
                             264.8 349.0
                                              599.0
dfAirbnbTestSeattle$host_age[is.na(dfAirbnbTestSeattle$host_age)] <- 301.6
#Bathrooms
dfAirbnbTrainSeattle$bathrooms <- as.numeric(dfAirbnbTrainSeattle$bathrooms)</pre>
dfAirbnbTestSeattle$bathrooms <- as.numeric(dfAirbnbTestSeattle$bathrooms)</pre>
summary(dfAirbnbTrainSeattle$bathrooms)
##
      Min. 1st Qu.
                    Median
                              Mean 3rd Qu.
                                               Max.
                                                       NA's
##
     0.000
             1.000
                     1.000
                              1.315
                                      1.500
                                              8.000
                                                           2
table(dfAirbnbTrainSeattle$bathrooms)
##
##
                          2 2.5
                                        3.5
                                               4 4.5
                                                         5
                                                               8
      0 0.5
                1
                   1.5
                                     3
##
          19 3988
                  290 617 218 131
                                       118
                                                               2
                                              12
                                                   7
```

```
#Bed Type
table(dfAirbnbTrainSeattle$bed type)
##
##
          Airbed
                          Couch
                                         Futon Pull-out Sofa
                                                                    Real Bed
##
              10
                              4
                                            27
                                                                        5354
                                                           19
dfAirbnbTrainSeattle$bed type <- as.character(dfAirbnbTrainSeattle$bed type)</pre>
dfAirbnbTrainSeattle$bed_type[dfAirbnbTrainSeattle$bed_type == ''] <- 'Airbed
dfAirbnbTrainSeattle$bed type[dfAirbnbTrainSeattle$bed type == '100%'] <- 'Ai
dfAirbnbTrainSeattle$bed_type[dfAirbnbTrainSeattle$bed_type == '81%'] <- 'Air</pre>
bed'
dfAirbnbTrainSeattle$bed_type <- as.factor(dfAirbnbTrainSeattle$bed_type)</pre>
dfAirbnbTestSeattle$bed_type <- as.character(dfAirbnbTestSeattle$bed_type)</pre>
dfAirbnbTestSeattle$bed_type[dfAirbnbTestSeattle$bed_type == ''] <- 'Airbed'
dfAirbnbTestSeattle$bed type[dfAirbnbTestSeattle$bed type == '100%'] <- 'Airb</pre>
dfAirbnbTestSeattle$bed_type[dfAirbnbTestSeattle$bed_type == '81%'] <- 'Airbe</pre>
dfAirbnbTestSeattle$bed_type <- as.factor(dfAirbnbTestSeattle$bed_type)</pre>
#bedrooms
\#Mean = 1.36
dfAirbnbTrainSeattle$bedrooms <- as.numeric(dfAirbnbTrainSeattle$bedrooms)</pre>
dfAirbnbTrainSeattle$bedrooms[is.na(dfAirbnbTrainSeattle$bedrooms)] <- 3.5</pre>
summary(dfAirbnbTrainSeattle$bedrooms)
##
      Min. 1st Ou.
                                                Max.
                     Median
                               Mean 3rd Ou.
             1.000
                      1.000
                              1.383
                                       2.000
                                               8.000
##
     0.000
table(dfAirbnbTrainSeattle$bedrooms)
##
##
                2
                                      5
                                                      8
      0
           1
                      3
                         3.5
                                4
                                           6
                                                7
    670 3000 1058 468
                              145
                                     51
                                                8
                                                      1
dfAirbnbTestSeattle$bedrooms <- as.numeric(dfAirbnbTestSeattle$bedrooms)</pre>
dfAirbnbTestSeattle$bedrooms[is.na(dfAirbnbTestSeattle$bedrooms)] <- 3.5</pre>
#beds
summary(dfAirbnbTrainSeattle$beds)
##
      Min. 1st Ou.
                     Median
                               Mean 3rd Ou.
                                                Max.
                                                         NA's
##
     0.000
             1.000
                      1.000
                              1.893
                                       2.000 17.000
                                                            3
dfAirbnbTrainSeattle$beds <- as.numeric(dfAirbnbTrainSeattle$beds)</pre>
table(dfAirbnbTrainSeattle$beds)
```

```
##
                2
                                5
##
           1
                      3
                                     6
                                           7
                                                8
                                                         10
                                                               11
                                                                    12
                                                                         13
                                                                               14
      0
                           4
15
                                                                                2
##
     97 2757 1375 659
                         263
                             117
                                    65
                                          27
                                               13
                                                     2
                                                         10
                                                                3
                                                                    18
                                                                          1
1
##
     17
##
      1
dfAirbnbTestSeattle$beds <- as.numeric(dfAirbnbTestSeattle$beds)</pre>
#host_identity_Verified
table(dfAirbnbTrainSeattle$host_identity_verified)
##
## FALSE TRUE
## 2401 3010
dfAirbnbTrainSeattle$host_identity_verified <- as.character(dfAirbnbTrainSeat</pre>
tle$host_identity_verified)
dfAirbnbTrainSeattle$host identity verified[dfAirbnbTrainSeattle$host identit
y verified == ''] <- 'TRUE'</pre>
dfAirbnbTrainSeattle$host_identity_verified[dfAirbnbTrainSeattle$host_identit
y_verified == '$2,960.00'] <- 'TRUE'</pre>
dfAirbnbTrainSeattle$host_identity_verified[dfAirbnbTrainSeattle$host_identit
y_verified == '$3,200.00'] <- 'TRUE'</pre>
dfAirbnbTrainSeattle$host identity verified[dfAirbnbTrainSeattle$host identit
y verified == '$8,500.00'] <- 'TRUE'</pre>
summary(dfAirbnbTrainSeattle$host identity verified)
                 Class
##
      Length
                             Mode
        5414 character character
##
dfAirbnbTrainSeattle$host_identity_verified <- as.factor(dfAirbnbTrainSeattle
$host identity verified)
levels(dfAirbnbTrainSeattle$host identity verified)
## [1] "FALSE" "TRUE"
dfAirbnbTestSeattle$host_identity_verified <- as.character(dfAirbnbTestSeattl</pre>
e$host identity verified)
dfAirbnbTestSeattle$host identity verified[dfAirbnbTestSeattle$host identity
verified == ''] <- 'TRUE'</pre>
dfAirbnbTestSeattle$host_identity_verified[dfAirbnbTestSeattle$host_identity_
verified == '$2,960.00'] <- 'TRUE'</pre>
dfAirbnbTestSeattle$host_identity_verified[dfAirbnbTestSeattle$host_identity_
verified == '$3,200.00'] <- 'TRUE'</pre>
dfAirbnbTestSeattle$host_identity_verified[dfAirbnbTestSeattle$host_identity_
verified == '$8,500.00'] <- 'TRUE'</pre>
```

```
dfAirbnbTestSeattle$host_identity_verified <- as.factor(dfAirbnbTestSeattle$h</pre>
ost identity verified)
#host_is_superhost
summary(dfAirbnbTrainSeattle$host_is_superhost)
##
      Mode
             FALSE
                              NA's
                      TRUE
## logical
              3135
                      2276
                                 3
dfAirbnbTrainSeattle$host_is_superhost <- as.character(dfAirbnbTrainSeattle$h
ost_is_superhost)
table(dfAirbnbTrainSeattle$host is superhost)
##
## FALSE TRUE
## 3135 2276
dfAirbnbTrainSeattle$host is superhost <- ifelse(dfAirbnbTrainSeattle$host is
_superhost == 'FALSE', 'FALSE', 'TRUE')
dfAirbnbTrainSeattle$host_is_superhost <- as.factor(dfAirbnbTrainSeattle$host
is superhost)
dfAirbnbTestSeattle$host_is_superhost <- as.character(dfAirbnbTestSeattle$hos</pre>
t_is_superhost)
table(dfAirbnbTestSeattle$host is superhost)
##
## FALSE TRUE
## 1049
          755
dfAirbnbTestSeattle$host is superhost <- ifelse(dfAirbnbTestSeattle$host is s</pre>
uperhost == 'FALSE', 'FALSE', 'TRUE')
dfAirbnbTestSeattle$host_is_superhost <- as.factor(dfAirbnbTestSeattle$host_i</pre>
s superhost)
#host listings count
summary(dfAirbnbTrainSeattle$host_listings_count)
##
     Min. 1st Qu. Median
                              Mean 3rd Qu.
                                               Max.
                                                       NA's
##
                       2.0
                                      10.0 1825.0
       0.0
               1.0
                             151.1
dfAirbnbTrainSeattle$host_listings_count <- as.numeric(dfAirbnbTrainSeattle$h</pre>
ost_listings_count)
dfAirbnbTestSeattle$host_listings_count <- as.numeric(dfAirbnbTestSeattle$hos</pre>
t listings count)
```

```
#maximum nights
summary(dfAirbnbTrainSeattle$maximum nights)
##
      Min. 1st Qu.
                     Median
                                Mean 3rd Qu.
                                                 Max.
       1.0
                     1124.0
                               603.8 1125.0 1125.0
##
               29.0
dfAirbnbTrainSeattle$maximum_nights <- as.numeric(dfAirbnbTrainSeattle$maximu</pre>
m nights)
table(dfAirbnbTrainSeattle$maximum_nights)
##
##
      1
           2
                 3
                      4
                            5
                                 6
                                      7
                                            8
                                                 9
                                                      10
                                                           11
                                                                 12
                                                                      13
                                                                            14
                                                                                 15
16
##
          17
                35
                     37
                           56
                                29
                                    221
                                                14
                                                      85
                                                            5
                                                                 47
                                                                       7
                                                                           228
                                                                                 46
      6
                                           39
9
##
     17
          18
                20
                     21
                           23
                                24
                                      25
                                           26
                                                27
                                                      28
                                                           29
                                                                 30
                                                                      31
                                                                            32
                                                                                 33
35
                42
                     76
                                 2
                                      22
                                                     225
                                                           90
                                                                347
                                                                      78
                                                                             9
                                                                                  3
##
      3
           4
                            1
                                            5
                                                17
15
##
     36
          37
                40
                     42
                           44
                                45
                                      48
                                           50
                                                55
                                                      59
                                                           60
                                                                 61
                                                                      62
                                                                            63
                                                                                 65
66
##
                13
                      3
                            1
                                24
                                            2
                                                 5
                                                          126
                                                                  1
                                                                       5
                                                                             1
                                                                                  2
      1
           1
                                      1
                                                       3
1
                78
                                                           92
##
     70
          72
                     79
                           80
                                85
                                      88
                                           89
                                                90
                                                      91
                                                                 93
                                                                      95
                                                                            96
                                                                                 99
100
                                                       2
                                                            2
##
      3
           1
                 1
                      1
                            2
                                 1
                                       2
                                            7
                                               171
                                                                  1
                                                                       9
                                                                             1
                                                                                  1
26
                    150
                                          181
                                               185
                                                          190
##
         125
               140
                          160
                               170
                                    180
                                                     186
                                                                200
                                                                     210
                                                                           215
                                                                                220
    120
240
##
     63
           1
                 1
                      8
                            1
                                 3
                                      81
                                            1
                                                 1
                                                       1
                                                            2
                                                                  8
                                                                       4
                                                                             1
                                                                                  1
3
##
    250
         270
               300
                    325
                          330
                               360
                                    364
                                          365
                                               366
                                                     500
                                                          555
                                                                600
                                                                     720
                                                                           730
                                                                                740
800
                                 5
                                                       2
##
      1
            1
                11
                      1
                            1
                                       4
                                          218
                                                  3
                                                            1
                                                                  1
                                                                       1
                                                                             3
                                                                                  1
## 1000 1095 1100 1118 1120 1123 1124 1125
                 1
                      1
                            1
                                 8
                                      60 2657
##
           1
dfAirbnbTrainSeattle$maximum_nights[dfAirbnbTrainSeattle$maximum_nights > 112
dfAirbnbTrainSeattle$maximum_nights[is.na(dfAirbnbTrainSeattle$maximum_nights
)] <- 668
dfAirbnbTestSeattle$maximum_nights <- as.numeric(dfAirbnbTestSeattle$maximum_
nights)
table(dfAirbnbTestSeattle$maximum_nights)
##
                    3 4 5 6 7 8 9
##
                                                                10
                                                                       12
```

```
14
##
       8
              6
                     9
                          11
                                 13
                                         9
                                               81
                                                     10
                                                             3
                                                                   28
                                                                         14
                                                                                 2
69
##
             16
                    17
                          18
                                 19
                                        20
                                               21
                                                     22
                                                            24
                                                                   25
                                                                         26
                                                                                27
      15
28
##
      21
              5
                     4
                           1
                                  1
                                        13
                                               22
                                                      3
                                                             4
                                                                    4
                                                                          1
                                                                                 3
83
##
      29
             30
                    31
                          32
                                 33
                                        35
                                              40
                                                     45
                                                            47
                                                                   50
                                                                         55
                                                                                58
59
                                         7
##
                    33
                           1
                                  3
                                               2
                                                      6
                                                                    1
                                                                          1
                                                                                 1
      30
            120
                                                             1
1
             61
                                               75
                                                            82
                                                                         90
                                                                                95
##
      60
                   62
                          65
                                 70
                                        71
                                                     80
                                                                   89
100
              1
                                                                                 2
##
      41
                     1
                           1
                                  1
                                         1
                                               1
                                                      1
                                                             1
                                                                    1
                                                                         56
11
                                                           198
                                                    180
                                                                  200
                                                                               246
##
     120
            125
                   150
                         153
                                155
                                       160
                                             175
                                                                        240
260
              2
                     5
                                         1
                                               1
                                                                    4
                                                                          2
                                                                                 1
##
      20
                           1
                                  1
                                                     26
                                                             1
1
##
     300
            330
                   356
                         360
                                365
                                       369
                                            1000
                                                   1095
                                                          1100
                                                                1120
                                                                       1121
                                                                              1123 1
124
                                                                    2
                                                                                 2
##
       2
              1
                     1
                           4
                                 82
                                         1
                                               5
                                                      1
                                                             1
                                                                          2
15
##
    1125 10000 1e+05
##
     863
              1
dfAirbnbTestSeattle$maximum_nights[dfAirbnbTestSeattle$maximum_nights > 1125]
<- 1125
dfAirbnbTestSeattle$maximum_nights[is.na(dfAirbnbTestSeattle$maximum_nights)]
<- 668
#minimum nights
dfAirbnbTrainSeattle$minimum nights<- as.numeric(dfAirbnbTrainSeattle$minimum
summary(dfAirbnbTrainSeattle$minimum_nights)
##
                      Median
      Min. 1st Qu.
                                 Mean 3rd Qu.
                                                   Max.
                       2.000
##
     1.000
              1.000
                                4.931
                                         3.000 400.000
table(dfAirbnbTrainSeattle$minimum_nights)
##
##
      1
            2
                 3
                       4
                             5
                                  6
                                        7
                                             8
                                                  10
                                                       13
                                                             14
                                                                   15
                                                                        17
                                                                              19
                                                                                    20
21
## 1841 2081
               625
                     137
                           99
                                 30
                                       89
                                             4
                                                  14
                                                        2
                                                             18
                                                                    2
                                                                         1
                                                                               1
                                                                                   10
9
##
                28
                      29
                                                       55
                                                                        81
                                                                              90
                                                                                  120
     23
           25
                           30
                                 31
                                       32
                                            40
                                                  45
                                                             60
                                                                   80
150
                                                                                    5
##
      1
            3
                13
                       2
                          397
                                  7
                                        1
                                             1
                                                   1
                                                        1
                                                              5
                                                                    1
                                                                         1
                                                                               6
1
```

```
180 210 345 365 400
                          1
##
      1
           1
                1
                     1
dfAirbnbTrainSeattle$minimum_nights[is.na(dfAirbnbTrainSeattle$minimum_nights
) ] <- 1
dfAirbnbTrainSeattle$minimum nights[dfAirbnbTrainSeattle$minimum nights == 0]
dfAirbnbTrainSeattle$minimum nights[dfAirbnbTrainSeattle$minimum nights == 10
00000001 <- 1
dfAirbnbTestSeattle$minimum_nights<- as.numeric(dfAirbnbTestSeattle$minimum_n
ights)
summary(dfAirbnbTestSeattle$minimum_nights)
     Min. 1st Qu.
                    Median
                              Mean 3rd Qu.
##
     1.000
             1.000
                     2.000
                                     3.000 365.000
                             5.216
table(dfAirbnbTestSeattle$minimum_nights)
##
##
        2
             3
                 4
                     5
                         6
                             7
                                                                        30 3
     1
                                        10
                                            13
                                                14
                                                    15
                                                        18
                                                             20
                                                                21
                                                                    28
  55
1
## 617 710 206 39 41
                         7 14
                                 1
                                     1
                                         7
                                             1
                                                 7
                                                    2
                                                              1
                                                         1
                                                                  4
                                                                      2 128
4
##
  70 108 180 330 365
##
     1
         1
             5
                 1
                     1
dfAirbnbTestSeattle$minimum nights[is.na(dfAirbnbTestSeattle$minimum nights)]
dfAirbnbTestSeattle$minimum_nights[dfAirbnbTestSeattle$minimum_nights == 0] <</pre>
dfAirbnbTestSeattle$minimum_nights[dfAirbnbTestSeattle$minimum_nights == 1000
00000] <- 1
#price
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                      mutate(price = as.numeric(str_replace_all(dfAirbnbTrain
Seattle$price,"[$,]",'')))
meanPrice <- mean(dfAirbnbTrainSeattle$price, na.rm = TRUE)</pre>
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                    mutate(price = replace_na(price, meanPrice))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                      mutate(price = as.numeric(str_replace_all(dfAirbnbTestS)
```

```
eattle$price,"[$,]",'')))
meanPrice <- mean(dfAirbnbTestSeattle$price, na.rm = TRUE)</pre>
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                    mutate(price = replace na(price, meanPrice))
#dfAirbnbTrainSeattle$high_booking_rate <- dfAirbnbTrainSeattle_train_y$high_
booking rate
dfAirbnbTrainSeattle$high booking rate <- as.factor(dfAirbnbTrainSeattle$high
_booking_rate)
# Final code for transformation of cleaning fee
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                      mutate(cleaning fee = as.numeric(str replace all(dfAirb
nbTrainSeattle$cleaning_fee,"[$,]",'')))
meanCleaningFee <- mean(dfAirbnbTrainSeattle$cleaning fee, na.rm = TRUE)</pre>
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                    mutate(cleaning fee = replace na(cleaning fee, meanCleani
ngFee))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                      mutate(cleaning fee = as.numeric(str replace all(dfAirb
nbTestSeattle$cleaning_fee,"[$,]",'')))
meanCleaningFee <- mean(dfAirbnbTestSeattle$cleaning_fee, na.rm = TRUE)</pre>
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                    mutate(cleaning fee = replace na(cleaning fee, meanCleani
ngFee))
# Final code for transformation of extra people
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                      mutate(extra_people = as.numeric(str_replace_all(dfAirb)
nbTrainSeattle$extra_people,"[$,]",'')))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                      mutate(extra_people = as.numeric(str_replace_all(dfAirb)
nbTestSeattle$extra_people,"[$,]",'')))
#quests included
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
  mutate(guests included=as.numeric(str replace all(dfAirbnbTrainSeattle$gues
ts_included,"[,%]",'')))
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
```

```
mutate(guests included = ifelse(guests included%in% c("17", "18", "19","20"
, "21", "22", "24", "25", "28", "30", "32", "34"), "Other", guests_included))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
  mutate(guests included=as.numeric(str replace all(dfAirbnbTestSeattle$guest
s included,"[,%]",'')))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
  mutate(guests included = ifelse(guests included%in% c("17", "18", "19","20"
, "21", "22", "24", "25", "28", "30", "32", "34"), "Other", guests_included))
#host response rate
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                        mutate(host_response_rate = as.numeric(str_replace_all())
dfAirbnbTrainSeattle$host_response_rate,"[,%]",'')))
## Warning: NAs introduced by coercion
meanRespRate <- mean(dfAirbnbTrainSeattle$host response rate, na.rm = TRUE)</pre>
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                      mutate(host response rate = replace na(host response rate
, meanRespRate))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                        mutate(host response rate = as.numeric(str replace all())
dfAirbnbTestSeattle$host_response_rate,"[,%]",'')))
## Warning: NAs introduced by coercion
meanRespRate <- mean(dfAirbnbTestSeattle$host_response_rate, na.rm = TRUE)</pre>
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                      mutate(host_response_rate = replace_na(host_response_rate
, meanRespRate))
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
  mutate(property_type = ifelse(property_type %in% c("Castle", "Igloo", "Tree
house", "Cave", "Dome house", "In-law", "Nature lodge", "Tipi", "Vacation hom e", "Barn", "Campsite", "Chalet", "Dorm", "Houseboat", "Island", "Bus", "Casa particular (Cuba)", "Earth house", "Hut", "Lighthouse", "Pension (South Korea)", "Timeshare", "Train", "Yurt"), "Other", property_type))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
  mutate(property_type = ifelse(property_type %in% c("Castle", "Igloo", "Mins
u (Taiwan)", "Treehouse", "Cave", "Dome house", "In-law", "Nature lodge", "Ti
pi", "Tent", "Vacation home", "Barn", "Campsite", "Chalet", "Dorm", "Houseboa
t", "Island", "Bus", "Casa particular (Cuba)", "Earth house", "Hut", "Lightho
use", "Pension (South Korea)", "Timeshare", "Train", "Yurt"), "Other", proper
ty type))
```

```
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
  mutate(cancellation policy = ifelse(cancellation policy %in% c("luxury supe
r_strict_125", "luxury_super_strict_95", "luxury_no_refund"), "Other", cancel
lation policy))
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
  mutate(cancellation_policy = ifelse(cancellation_policy %in% c("luxury_supe
r_strict_125", "luxury_moderate", "luxury_super_strict_95", "luxury_no_refun
d"), "Other", cancellation policy))
dfAirbnbTestSeattle$property type <- as.factor(dfAirbnbTestSeattle$property t
ype)
# Final code for transformation of security deposit
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                      mutate(security deposit = as.numeric(str replace all(df
AirbnbTrainSeattle$security_deposit,"[$,]",'')))
meanSecurtityDeposit <- mean(dfAirbnbTrainSeattle$security_deposit, na.rm = T</pre>
RUE)
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                    mutate(security deposit = replace na(security deposit, me
anSecurtityDeposit))
dfAirbnbTrainSeattle$bed type<-as.factor(dfAirbnbTrainSeattle$bed type)</pre>
dfAirbnbTrainSeattle$host_identity_verified<-as.factor(dfAirbnbTrainSeattle$h
ost identity verified)
dfAirbnbTrainSeattle$host_is_superhost<-as.factor(dfAirbnbTrainSeattle$host_i</pre>
s superhost)
dfAirbnbTrainSeattle$market<-as.factor(dfAirbnbTrainSeattle$market)
dfAirbnbTrainSeattle$instant bookable<-as.factor(dfAirbnbTrainSeattle$instant
bookable)
dfAirbnbTrainSeattle$is location exact<-as.factor(dfAirbnbTrainSeattle$is loc
ation exact)
dfAirbnbTrainSeattle$property type<-as.factor(dfAirbnbTrainSeattle$property t</pre>
dfAirbnbTrainSeattle$requires_license<-as.factor(dfAirbnbTrainSeattle$require
s license)
dfAirbnbTrainSeattle$availability 365<- as.factor(dfAirbnbTrainSeattle$availa
bility 365)
dfAirbnbTrainSeattle$bathrooms<-as.factor(dfAirbnbTrainSeattle$bathrooms)</pre>
dfAirbnbTrainSeattle$bed_type<-as.factor(dfAirbnbTrainSeattle$bed_type)</pre>
dfAirbnbTrainSeattle$host identity verified<-as.factor(dfAirbnbTrainSeattle$h
ost identity verified)
dfAirbnbTrainSeattle$host is superhost<-as.factor(dfAirbnbTrainSeattle$host i</pre>
s superhost)
dfAirbnbTrainSeattle$host_listings_count<-as.factor(dfAirbnbTrainSeattle$host</pre>
_listings_count)
```

```
dfAirbnbTrainSeattle$price<-as.factor(dfAirbnbTrainSeattle$price)
dfAirbnbTrainSeattle$cleaning fee<-as.factor(dfAirbnbTrainSeattle$cleaning fe
dfAirbnbTrainSeattle$market<-as.factor(dfAirbnbTrainSeattle$market)
dfAirbnbTrainSeattle$guests included<-as.factor(dfAirbnbTrainSeattle$guests i
dfAirbnbTrainSeattle$minimum nights<-as.factor(dfAirbnbTrainSeattle$minimum n
dfAirbnbTrainSeattle$amenities_count<-as.factor(dfAirbnbTrainSeattle$amenitie
s count)
# dfAirbnbTrainSeattle$host_verification_count<-as.factor(head(dfAirbnbTrainS
eattle)$host verification count)
dfAirbnbTrainSeattle$host age<-as.factor(dfAirbnbTrainSeattle$host age)</pre>
dfAirbnbTrainSeattle$host_response_rate<-as.factor(dfAirbnbTrainSeattle$host_
response_rate)
dfAirbnbTrainSeattle$instant bookable<-as.factor(dfAirbnbTrainSeattle$instant
bookable)
dfAirbnbTrainSeattle$is location exact<-as.factor(dfAirbnbTrainSeattle$is loc
ation exact)
dfAirbnbTrainSeattle$market<-as.factor(dfAirbnbTrainSeattle$market)</pre>
dfAirbnbTrainSeattle$property_type<-as.factor(dfAirbnbTrainSeattle$property_t
dfAirbnbTrainSeattle$requires license<-as.factor(dfAirbnbTrainSeattle$require
s license)
# Final code for transformation of monthly price
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                      mutate(monthly_price = as.numeric(str_replace_all(dfAir)
bnbTrainSeattle$monthly_price,"[$,]",'')))
meanMonthly_price <- mean(dfAirbnbTrainSeattle$monthly_price, na.rm = TRUE)</pre>
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
                    mutate(monthly_price = replace_na(monthly_price, meanMont
hly_price))
# Final code for transformation of monthly price
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                      mutate(monthly_price = as.numeric(str_replace_all(dfAir
bnbTestSeattle$monthly_price,"[$,]",'')))
meanMonthly_price <- mean(dfAirbnbTestSeattle$cleaning_fee, na.rm = TRUE)</pre>
dfAirbnbTestSeattle <- dfAirbnbTestSeattle %>%
                    mutate(monthly_price = replace_na(monthly_price, meanMont
hly_price))
```

###The map shows the location of listings in Seattle.As can be seen most of the listings are from central seattle.

###The map here shows number of listings in the respective neighborhood, and we found the top neighborhoods in terms of proerties listed.

```
dfBestNeighbourhood <- dfAirbnbTrainSeattle %>%
  filter(neighbourhood %in% c("Wallingford", "South Lake Union", "Queen Anne"
, "Minor", "Pike Place Market", "First Hill", "Central Business District", "Capi
tol Hill", "Belltown", "Ballard"))
dfBestNeighbourhood <-
    dfBestNeighbourhood %>%
      mutate(minimum nights = as.double(minimum nights),
             weekly price = as.double(weekly price),
             availability 365 = as.double(availability 365))
## Warning: NAs introduced by coercion
dfBestNSummary <- dfBestNeighbourhood %>%
  group by(neighbourhood) %>%
  mutate(meanMonthlyPrice = mean(monthly_price), meanAvailability_30 = mean(a
vailability 30), meanAvailability 60 = mean(availability 60), meanAvailabilit
y 90 = mean(availability 90), meanAvailability_365 = mean(availability_365),
meanMinimum nights = mean(minimum nights),
         meanBeds = mean(beds),
         meanSquareFeet = mean(square feet),
         meanExtraPeople = mean(extra people))
```

```
dfBestNSummary %>%
  group by(neighbourhood, meanAvailability 30) %>%
  select(neighbourhood, meanAvailability_30)
## # A tibble: 2,539 x 2
             neighbourhood, meanAvailability_30 [10]
## # Groups:
                                meanAvailability_30
##
      neighbourhood
##
      <chr>>
                                              <dbl>
## 1 First Hill
                                              16.8
## 2 Wallingford
                                               9.86
## 3 Wallingford
                                               9.86
## 4 Capitol Hill
                                              10.3
## 5 Belltown
                                              13.4
## 6 Central Business District
                                              17.6
                                              13.4
## 7 Belltown
## 8 First Hill
                                              16.8
## 9 Belltown
                                              13.4
## 10 Belltown
                                              13.4
## # ... with 2,529 more rows
# Cleaning Fee vs Booking Rate
plot <- dfAirbnbTrainSeattle %>%
  ggplot(aes(high_booking_rate, cleaning_fee, fill = high_booking_rate)) + ge
om_boxplot() + labs(x = "High Booking Rate", y = "Cleaning Fee", title = "Cle
aning Fee by Booking Rate")
plot
```



###It can be seen that as the cleaning fee charges increase which contribute to increase in the rent of the property, the booking rate decreases.

```
#Amenities Frequency
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
  mutate(amenities = gsub("[{}\"]", "", amenities))
tokens <- str_split(as.character(dfAirbnbTrainSeattle$amenities), ',')</pre>
amenitiesCountdf <- as.data.frame(table(unlist(tokens))) %>% arrange(desc(Fre
q))
amenitiesCountdf
##
                                              Var1 Freq
## 1
                                              Wifi 5296
## 2
                                        Essentials 5294
## 3
                                           Heating 5233
                                    Smoke detector 5214
## 4
                                           Shampoo 4940
## 5
## 6
                                           Kitchen 4783
## 7
                                           Hangers 4763
                                        Hair dryer 4670
## 8
                          Carbon monoxide detector 4666
## 9
                         Laptop friendly workspace 4383
## 10
## 11
                                              Iron 4348
                                                 TV 4283
## 12
                                            Washer 4219
## 13
```

```
## 14
                                              Dryer 4207
                                 Fire extinguisher 3588
## 15
## 16
                                          Hot water 3488
## 17
                                       Refrigerator 3115
                             Dishes and silverware 3029
## 18
                                      Self check-in 3017
## 19
## 20
                                          Microwave 2950
## 21
                                       Coffee maker 2871
## 22
                                      First aid kit 2700
## 23
                                              Stove 2538
## 24
                                     Cooking basics 2486
## 25
                                               Oven 2459
## 26
                                         Bed linens 2451
## 27
                                   Private entrance 2416
## 28
                               Free street parking 2352
## 29
                          Free parking on premises 2212
## 30
                               Family/kid friendly 2154
## 31
                        Extra pillows and blankets 2034
## 32
                                         Dishwasher 1903
## 33
                                           Internet 1848
## 34
                           Long term stays allowed 1630
## 35
                                           Cable TV 1562
## 36
                              Lock on bedroom door 1556
## 37
                       No stairs or steps to enter 1530
## 38
                                             Keypad 1497
## 39
                                   Patio or balcony 1483
## 40
                           Luggage dropoff allowed 1414
## 41
                                   Air conditioning 1360
## 42
                                           Elevator 1227
## 43
                                Garden or backyard 1208
## 44
                                   Indoor fireplace 1081
## 45
                                            Lockbox 1015
## 46
                                        Safety card
                                                     982
                                                      898
## 47
                                                Gym
                                                      890
## 48
                                            Bathtub
## 49
                                   24-hour check-in
                                                      864
                                       Pets allowed
## 50
                                                      854
## 51
                                          BBQ grill
                                                      830
## 52
                               Private living room
                                                      793
## 53
                          Pack 'n Play/travel crib
                                                      681
       translation missing: en.hosting_amenity_50
## 54
                                                      676
## 55
                                         Smart lock
                                                      605
## 56
                         Well-lit path to entrance
                                                      559
## 57
       translation missing: en.hosting amenity 49
                                                      544
## 58
                        Pets live on this property
                                                      532
## 59
                                 Single level home
                                                      451
## 60
                                          Breakfast
                                                      447
                         Children's books and toys
## 61
                                                      445
## 62
                         Paid parking off premises
                                                      393
## 63
                             Room-darkening shades
                                                      382
```

	64	Other	335
	65	Wide entrance for guests	321
	66	Host greets you	310
##		Hot tub	307
	68	High chair	302
	69	Dog(s)	300
	70	Ethernet connection	298
##		Wide hallways	282
	72	Lake access	275
	73	Paid parking on premises	272
	74	Extra space around bed	247
##		Flat path to guest entrance	247
	76	Pool	229
	77	Wide entrance	223
	78	Cat(s)	217
	79	Children's dinnerware	215
	80	Wide entryway	215
##		Wireless intercom	209
	82	Full kitchen	207
	83	Bathroom essentials	186
	84	Bedroom comforts	186
	85	Accessible-height bed	179
	86	Bath towel	178
	87	Body soap	178
	88	Toilet paper	178
	89	Buzzer/wireless intercom	176
	90	Handheld shower head	172
	91	Suitable for events	165
	92	Building staff	163
	93	Babysitter recommendations	159
	94	Accessible-height toilet	150
##		Cleaning before checkout	147
	96	Wheelchair accessible	130
	97	Outlet covers	126
	98	Crib	124
	99	Central air conditioning	123
	100	Wide doorway to guest bathroom	121
	101	Game console	116
	102	Doorman	115
	103	Stair gates	95 86
	104	Smoking allowed	86
	105	Beach essentials	76 73
	106	Fireplace guards	73 72
	107	Outdoor seating	72 70
	108	toilet	70 70
	109	Wide clearance to shower	70 60
	110	Netflix	69 66
	111	Smart TV	66 64
	112	Hot water kettle	
##	113	Baby bath	63

	5. 17 1	
## 114	Disabled parking spot	62
## 115	Waterfront	62
## 116	Breakfast table	54
## 117	Pocket wifi	54
## 118	Fixed grab bars for shower	53
## 119	EV charger	52
## 120	Changing table	44
## 121	Gas oven	43
## 122	Walk-in shower	41
## 123	Baby monitor	39
## 124	Memory foam mattress	39
## 125	En suite bathroom	35
## 126	Beachfront	33
## 127	Balcony	32
## 128	Other pet(s)	32
# 129	Step-free shower	30
## 130	Formal dining area	29
## 131	Window guards	29
## 132	Kitchenette	28
## 1 33	Heated floors	27
## 1 34	HBO GO	25
## 1 35	Ceiling fan	24
## 1 36	Espresso machine	24
## 1 37	Sound system	24
## 138	Terrace	24
## 139		23
## 140	Pillow-top mattress Rain shower	22
## 141 ## 142	Outdoor parking	21
## 142 ## 143	DVD player	20
## 143	Mountain view	20
## 144 145	Convection oven	19
## 14 5	Fire pit	19
## 146	Soaking tub	18
‡ # 1 47	Mini fridge	17
## 148	Amazon Echo	16
# 14 9	Exercise equipment	14
# 150	Fixed grab bars for toilet	14
# 151	Day bed	13
# 152	Shower chair	11
# 1 53	Sun loungers	11
# 154	Table corner guards	11
## 1 55	Electric profiling bed	10
# 156	Bathtub with bath chair	8
# 157	Shared gym	8
## 1 58	5 8)	7
## 1 59	Firm mattress	, 7
## 160	Heat lamps	, 7
## 161	Printer	, 7
## 162	Private bathroom	7
## 162 ## 163	Beach view	6
нπ 105	Deach View	U

```
## 164
                                     Shared hot tub
                                                        6
                                        Shared pool
## 165
                                                        6
## 166
                                     Warming drawer
                                                        6
                                Ground floor access
                                                        5
## 167
                                         Jetted tub
## 168
                                                        4
## 169
                                            Mudroom
                                                        4
## 170
                                    Private hot tub
## 171
                                        Wine cooler
                                                        4
## 172
                                                        3
                                            Hammock
## 173
                                        Private gym
                                                        3
## 174
                                     Standing valet
                                                        3
                  High-resolution computer monitor
                                                        2
## 175
## 176
                                         Murphy bed
                                                        2
                               Pool with pool hoist
## 177
                                                        2
## 178
                               Projector and screen
                                                        2
## 179
                                               Sauna
                                                        2
## 180
                          Stand alone steam shower
                                                        2
## 181
                                                        2
                                         Steam oven
## 182
                                       Air purifier
                                                        1
## 183
                                        Double oven
                                                        1
## 184
                                  Heated towel rack
                                                        1
                                     Ski-in/Ski-out
## 185
                                                        1
## 186
                                       Tennis court
                                                        1
```

###The top 10 amenties provided at the rentals listed with Airbnb, Wifi is provided by the almost all the hosts and luxury amaenties likeski-in/ski-out and Tennis court only provied by one host.

```
#Amenities Word Cloud
dfAirbnbTrainSeattle <- dfAirbnbTrainSeattle %>%
  mutate(amenities = gsub("[{}\"]", "", amenities))
tokens <- str split(as.character(dfAirbnbTrainSeattle$amenities), ',')</pre>
amenitiesCountdf <- as.data.frame(table(unlist(tokens))) %>% arrange(desc(Fre
q))
set.seed(123)
wordcloud(words = amenitiesCountdf$Var1, freg = amenitiesCountdf$Freg, min.fr
eq = 1, max.words=75, random.order=FALSE, rot.per=0.35, colors=brewer.pal(8,
"Dark2"))
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Smoke detector could not be fit on page. It will
not be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Hair dryer could not be fit on page. It will not
be
## plotted.
```

```
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Carbon monoxide detector could not be fit on page
. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Laptop friendly workspace could not be fit on pag
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Washer could not be fit on page. It will not be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Dryer could not be fit on page. It will not be pl
otted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Fire extinguisher could not be fit on page. It wi
11 not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Hot water could not be fit on page. It will not b
e
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Refrigerator could not be fit on page. It will no
t be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Dishes and silverware could not be fit on page. I
t will
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Self check-in could not be fit on page. It will n
ot be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Coffee maker could not be fit on page. It will no
t be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : First aid kit could not be fit on page. It will n
ot be
## plotted.
```

```
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Cooking basics could not be fit on page. It will
not be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Bed linens could not be fit on page. It will not
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Private entrance could not be fit on page. It wil
1 not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Free street parking could not be fit on page. It
will
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Free parking on premises could not be fit on page
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Family/kid friendly could not be fit on page. It
will
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Extra pillows and blankets could not be fit on pa
ge. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Long term stays allowed could not be fit on page.
Ιt
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Lock on bedroom door could not be fit on page. It
will
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : No stairs or steps to enter could not be fit on p
age.
## It will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Patio or balcony could not be fit on page. It wil
```

```
1 not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Luggage dropoff allowed could not be fit on page.
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Air conditioning could not be fit on page. It wil
1 not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Garden or backyard could not be fit on page. It w
ill
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Indoor fireplace could not be fit on page. It wil
1 not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Safety card could not be fit on page. It will not
be
## plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : 24-hour check-in could not be fit on page. It wil
1 not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Private living room could not be fit on page. It
will
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Pack 'n Play/travel crib could not be fit on page
. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : translation missing: en.hosting_amenity_50 could
not be
## fit on page. It will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Well-lit path to entrance could not be fit on pag
## will not be plotted.
```

```
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : translation missing: en.hosting amenity 49 could
not be
## fit on page. It will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Pets live on this property could not be fit on pa
ge. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Single level home could not be fit on page. It wi
ll not
## be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Children's books and toys could not be fit on pag
e. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Paid parking off premises could not be fit on pag
e. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Room-darkening shades could not be fit on page. I
t will
## not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Wide entrance for guests could not be fit on page
. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Paid parking on premises could not be fit on page
. It
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Extra space around bed could not be fit on page.
Ιt
## will not be plotted.
## Warning in wordcloud(words = amenitiesCountdf$Var1, freq =
## amenitiesCountdf$Freq, : Flat path to guest entrance could not be fit on p
age.
## It will not be plotted.
```



```
# install.packages("corpus")
library(corpus)
## Warning: package 'corpus' was built under R version 3.6.3
# Neighborhood Overview Word Cloud
corpus <- Corpus(VectorSource(dfAirbnbTrainSeattle$neighborhood_overview))</pre>
corpus = tm map(corpus, PlainTextDocument)
## Warning in tm_map.SimpleCorpus(corpus, PlainTextDocument): transformation
drops
## documents
corpus = tm_map(corpus, tolower)
## Warning in tm map.SimpleCorpus(corpus, tolower): transformation drops docu
ments
corpus = tm_map(corpus, removePunctuation)
## Warning in tm_map.SimpleCorpus(corpus, removePunctuation): transformation
drops
## documents
corpus = tm_map(corpus, removeWords, c("seattle", "please", "will", "use",
re one", "guests", "house", "allowed", "keep", "can", "take", "like", "per",
"make", "neighborhood", stopwords("english")))
```

```
## Warning in tm map.SimpleCorpus(corpus, removeWords, c("seattle", "please",
## transformation drops documents
corpus = tm map(corpus, stripWhitespace)
## Warning in tm map.SimpleCorpus(corpus, stripWhitespace): transformation dr
ops
## documents
dtm <- TermDocumentMatrix(corpus)</pre>
matrix <- as.matrix(dtm)</pre>
words <- sort(rowSums(matrix), decreasing=TRUE)</pre>
wordCountdf <- data.frame(word = names(words), freq = words)</pre>
set.seed(123)
wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, min.freq = 1, ma
x.words=49, rot.per=0.35, random.order=FALSE, colors=brewer.pal(8, "Dark2"))
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## washington could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
many
## could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## grocery could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## capitol could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## university could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
short
## could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
nearby
## could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## district could not be fit on page. It will not be plotted.
## Warning in wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, :
## could not be fit on page. It will not be plotted.
```

```
## Warning in wordcloud(words = wordCountdf$mord, freq = wordCountdf$freq, :
parks
## could not be fit on page. It will not be plotted.
```

```
quiet located also one pike great walking great walking miles within restaurants away shops away ballard minute local shops within local shops away ballard minute local shops within distance one pike one pike within one pike within shops away away ballard minute local shops within local shops within local shops are also one pike one pike one pike within shops within also one pike one pik
```

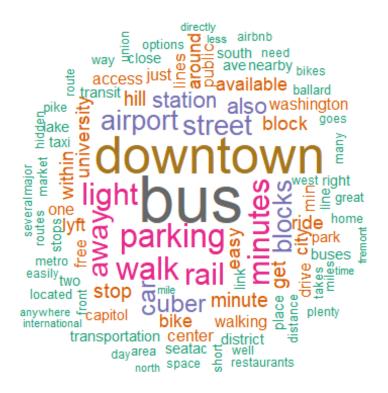
```
# Transit Word Cloud
corpus <- Corpus(VectorSource(dfAirbnbTrainSeattle$transit))</pre>
corpus = tm map(corpus, PlainTextDocument)
## Warning in tm_map.SimpleCorpus(corpus, PlainTextDocument): transformation
drops
## documents
corpus = tm map(corpus, tolower)
## Warning in tm_map.SimpleCorpus(corpus, tolower): transformation drops docu
ments
corpus = tm map(corpus, removePunctuation)
## Warning in tm map.SimpleCorpus(corpus, removePunctuation): transformation
drops
## documents
corpus = tm_map(corpus, removeWords, c("seattle", "please", "will", "use", "'
re one", "guests", "house", "allowed", "keep", "can", "take", "like", "per",
"make", "neighborhood", stopwords("english")))
```

```
## Warning in tm_map.SimpleCorpus(corpus, removeWords, c("seattle", "please",
:
## transformation drops documents

corpus = tm_map(corpus, stripWhitespace)

## Warning in tm_map.SimpleCorpus(corpus, stripWhitespace): transformation dr
ops
## documents

dtm <- TermDocumentMatrix(corpus)
matrix <- as.matrix(dtm)
words <- sort(rowSums(matrix), decreasing=TRUE)
wordCountdf <- data.frame(word = names(words), freq = words)
set.seed(123)
wordcloud(words = wordCountdf$word, freq = wordCountdf$freq, min.freq = 1, ma
x.words=100, rot.per=0.35, random.order=FALSE, colors=brewer.pal(8, "Dark2"))</pre>
```



```
#Cancellation Policy

dfAirbnbTrainSeattleCancellationPolicy<- dfAirbnbTrainSeattle %>% select(pric
e, cancellation_policy)

text_cancellation_policy <- tibble(text =dfAirbnbTrainSeattleCancellationPoli
cy$cancellation_policy, price=dfAirbnbTrainSeattleCancellationPolicy$price)

word_cancellation_policy <- text_cancellation_policy %>%
```

```
unnest tokens(word, text)
data(stop_words)
word_cancellation_policy <- word_cancellation_policy %>%
  anti_join(stop_words)
## Joining, by = "word"
count cancellation policy <- word cancellation policy %>% count(word, sort=TR
UE)
count_cancellation_policy
## # A tibble: 6 x 2
##
    word
                                      n
##
     <chr>>
                                  <int>
## 1 strict_14_with_grace_period 2104
## 2 moderate
                                   1905
## 3 flexible
                                   1192
## 4 strict
                                    149
## 5 super_strict_30
                                     42
## 6 super strict 60
                                     22
#to split host_since into year, month and day
dfAirbnbSeattleTrain1 <-dfAirbnbTrainSeattle</pre>
any(is.na(dfAirbnbSeattleTrain1$host since))
## [1] TRUE
sum(is.na(dfAirbnbSeattleTrain1$host_since))
## [1] 3
nrow(dfAirbnbSeattleTrain1)
## [1] 5414
na<-which(!complete.cases( dfAirbnbSeattleTrain1 $host_since))</pre>
dfAirbnbSeattleTrain1 <- dfAirbnbSeattleTrain1 [-na,]</pre>
any(is.na( dfAirbnbSeattleTrain1 $host_since))
## [1] FALSE
str( dfAirbnbSeattleTrain1 $host since)
## Date[1:5411], format: "2014-09-06" "2012-08-15" "2018-12-04" "2014-04-16"
"2014-11-26" ...
library(data.table)
##
## Attaching package: 'data.table'
```

```
## The following object is masked from 'package:tsibble':
##
##
       key
## The following objects are masked from 'package:lubridate':
##
       hour, isoweek, mday, minute, month, quarter, second, wday, week,
##
       yday, year
## The following object is masked from 'package:purrr':
##
##
       transpose
## The following objects are masked from 'package:dplyr':
##
##
       between, first, last
setDT(dfAirbnbSeattleTrain1)[, Month_Year := format(as.Date(host_since), "%Y-
%m")]
dfAirbnbSeattleTrain1<-dfAirbnbSeattleTrain1 %>%
  dplyr::mutate(year = lubridate::year(host_since),
                month = lubridate::month(host since),
                day = lubridate::day(host_since))
library(tsibble)
dfAirbnbSeattleTrain1$Month Year2 <- yearmonth(dfAirbnbSeattleTrain1$host sin
ce)
#str(dfAirbnbSeattleTrain1)
#In which year maximum number of people joined Airbnb
 dfAirbnbSeattleTrain1 %>%
  group_by(year) %>%
  tally() %>%
  mutate(pct = 100*n/sum(n)) %>%
  arrange(desc(pct))
## # A tibble: 12 x 3
##
      year
               n
                     pct
##
      <dbl> <int>
                  <dbl>
## 1 2015
           1042 19.3
## 2
      2013
             817 15.1
##
  3
      2014
             792 14.6
## 4
      2016
             737 13.6
  5
             479 8.85
##
      2017
      2012
             429 7.93
## 6
##
   7
       2018
              368 6.80
##
   8
       2019
              330 6.10
##
   9
       2011
              278 5.14
## 10
      2010
              97 1.79
               35 0.647
## 11
      2009
## 12 2008
           7 0.129
```

Most of the hosts joined Airbnb in the year 2015 which decreased to 6.09% by the year2019. This could be attributed to strong in-migration and low inventory of reasonably priced housing available for sale contributed to rising rental demand since 2010(~1.79%). As lenders became more and more confident in the economic recovery builders responded by significantly increasing apartment construction.

###In 2015, permitting increased by 33 percent, followed by 14,700 multifamily units permitted in 2016. Of the estimated 20,800 unit under construction, \sim 40% were in the Downtown/ Capitol Hill/Queen Anne market area, which includes the neighborhoods encompassing Amazon.com campuses. ###These then prevailing conditions must have motivated to invest in available business options.

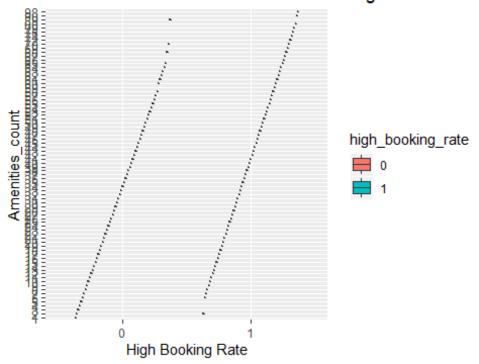
```
#during which particular months of the year did hosts preferred joining
dfAirbnbSeattleTrain1 %>%
 group_by(Month_Year2) %>%
 tally() %>%
 mutate(pct = 100*n/sum(n)) \%>\%
 arrange(desc(pct))
## # A tibble: 129 x 3
##
     Month Year2
                    n
                        pct
##
           <mth> <int> <dbl>
## 1
        2013 Aug 279 5.16
## 2
        2015 Nov
                  198 3.66
## 3
        2015 Dec
                  149 2.75
## 4
        2016 Jul
                 147 2.72
## 5
        2016 Jan 111 2.05
                  100 1.85
## 6
        2014 Aug
## 7
        2017 Feb
                  98 1.81
                   97 1.79
## 8
        2014 Jul
## 9
        2017 Jul
                   92 1.70
        2015 Jul
                   84 1.55
## 10
## # ... with 119 more rows
```

A large number of people joined Airbnb as host in August 2013. In 2013 Forbes, ranked Seattle No. 9 on its list of the Best Places for Business and Careers. Seattle was economically the fastest growing city in 2013. These then prevailing economically sound conditions must have encouraged the property owners to leverage them.

```
#amenities_count on booking rate

plot5<- dfAirbnbTrainSeattle%>%
    ggplot(aes(y= amenities_count, x= as.factor(high_booking_rate),fill = high_
booking_rate) )+ geom_boxplot()+ labs(x = "High Booking Rate", y = "Amenities_count", title = "Effect of number of amenities on Booking Rate")
plot5
```

Effect of number of amenities on Booking Rate



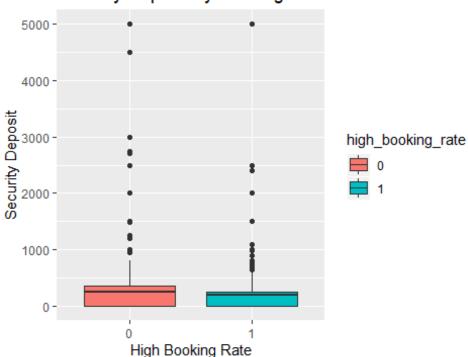
For properties listed on Airbnb as the number of amenities offered increases the booking rate also increase.

###The effect of Security deposit on high booking rate

```
#security deposit on booking rate
 dfAirbnbTrainSeattle %>%
  group_by(security_deposit) %>%
  filter(high_booking_rate==1)%>%
  tally()%>%
  mutate(pct = 100*n/sum(n)) %>%
  arrange(desc(pct))
## # A tibble: 47 x 3
##
      security_deposit
                                pct
##
                 <dbl> <int> <dbl>
##
   1
                    0
                          623 29.2
##
    2
                  252.
                          272 12.8
    3
##
                  100
                          217 10.2
   4
                  200
                          204 9.58
##
##
    5
                  250
                          179 8.40
##
    6
                  500
                          177 8.31
   7
##
                  300
                          161 7.56
##
   8
                  150
                           98 4.60
   9
##
                 1000
                           50 2.35
## 10
                  400
                           28 1.31
## # ... with 37 more rows
```

```
plot4<- dfAirbnbTrainSeattle%>%
    ggplot(aes(y= security_deposit, x= as.factor(high_booking_rate),fill = high
    _booking_rate) )+ geom_boxplot()+ labs(x = "High Booking Rate", y = "Security
Deposit", title = "Security Deposit by Booking Rate")
plot4
```

Security Deposit by Booking Rate



As the secutity deposit for a property increase the booking rate decreases. But the impact is not significantly distingusable on high booking rate as it is almost comparable.

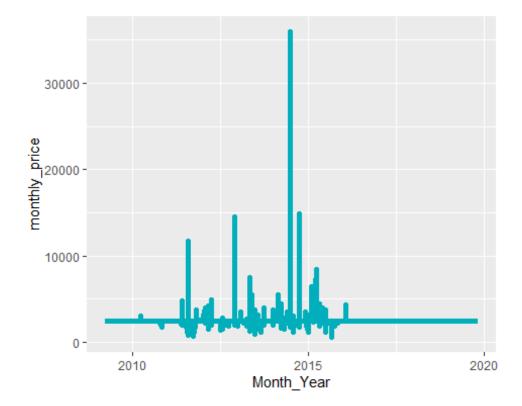
```
# determine range of monthly price distribution across neighborhoods
dfAirbnbTrainSeattle %>%
 group_by(neighbourhood) %>%
 filter(monthly_price >5000)%>%
 tally()%>%
 mutate(pct = 100*n/sum(n)) %>%
 arrange(desc(pct))
## # A tibble: 18 x 3
##
      neighbourhood
                               pct
                           n
##
      <chr>>
                       <int> <dbl>
## 1 Capitol Hill
                           3 13.0
## 2 Bryant
                           2 8.70
##
   3 Magnolia
                           2 8.70
  4 Oueen Anne
                           2 8.70
## 5 Alki
                           1 4.35
## 6 Ballard
                           1 4.35
```

```
## 7 Belltown
                          1 4.35
                          1 4.35
## 8 Dunlap
## 9 Eastlake
                          1 4.35
## 10 Genesee
                          1 4.35
                          1 4.35
## 11 Green Lake
## 12 Leschi
                          1 4.35
## 13 Licton Springs
                          1 4.35
## 14 Maple Leaf
                          1 4.35
                          1 4.35
## 15 Mathews Beach
                          1 4.35
## 16 Minor
## 17 South Lake Union
                          1 4.35
## 18 Stevens
                          1 4.35
```

According to the given dataset 13% of the most Expensive rentals(monthly_price>5000) are located in Capitol hill as well. The maximum rent for a property listed is 36000 dollars in Ballard.

```
# monthly_price of top neighborhood listings across years(after joining)
dfBestNeighbourhood1 <- dfBestNeighbourhood
dfBestNeighbourhood1$Month_Year <- yearmonth(dfBestNeighbourhood1$host_since)
plot3<- dfBestNeighbourhood1%>%

    ggplot(aes(x= Month_Year, y= monthly_price))+ geom_line(color= "#00AFBB",
    size = 2)
plot3
```



no significant observations.

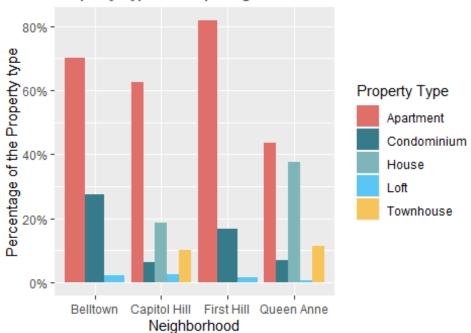
```
dfAirbnbTrainSeattle %>%
 group by(neighbourhood) %>%
 filter(high booking rate==1)%>%
 tally()%>%
 mutate(pct = 100*n/sum(n)) %>%
 arrange(desc(pct))
## # A tibble: 77 x 3
##
     neighbourhood
                              pct
                          n
##
     <chr>>
                       <int> <dbl>
## 1 Capitol Hill
                         187 8.78
## 2 Oueen Anne
                         150 7.04
## 3 Minor
                         141 6.62
## 4 Ballard
                         128 6.01
                         124 5.82
## 5 Belltown
## 6 North Beacon Hill
                        95 4.46
## 7 Wallingford
                         87 4.08
## 8 Fremont
                         78 3.66
## 9 First Hill
                         62 2.91
## 10 Columbia City
                         56 2.63
## # ... with 67 more rows
```

Listings in Capitol Hill contributes maximum to the properties with high booking rate.

```
#"Property Types in Top Neighborhoods in Seattle
dfAirbnbSeattlePrpTyp <- dfAirbnbTrainSeattle %>% group by(neighbourhood,prop
erty_type) %>% summarize(Freq = n())
dfAirbnbSeattlePrpTyp <- dfAirbnbSeattlePrpTyp %>% filter(property type %in%
c("Apartment", "House", "Condominium", "Townhouse", "Loft"))
dfAirbnbSeattlePrpTyp <- dfAirbnbSeattlePrpTyp %>% filter (neighbourhood %in%
c("Capitol Hill","Queen Anne","Belltown","First Hill"))
dfAirbnbSeattleSpcPrp<- dfAirbnbTrainSeattle %>% filter(property type %in% c
("Apartment", "House", "Condominium", "Townhouse", "Loft")) %>% group_by(neighbou
rhood) %>% summarize(sum = n())
propertyratio <- merge(dfAirbnbSeattlePrpTyp, dfAirbnbSeattleSpcPrp, by="neig</pre>
hbourhood")
propertyratio <- propertyratio %>% mutate(ratio = Freq/sum)
ggplot(propertyratio, aes(x=neighbourhood, y=ratio, fill = property type)) +
  geom bar(position = "dodge", stat="identity") +
  scale_fill_discrete(name = "Property Type") +
  scale_y_continuous(labels = scales::percent) +
  ggtitle("Which property type is listed the most in Seattle?",
          subtitle = "Property Types in Top Neighborhoods in Seattle ") +
          theme(plot.title = element text(face = "bold")) +
          theme(plot.subtitle = element_text(face = "bold", color = "grey35")
) +
          theme(plot.caption = element_text(color = "grey68"))+scale_color_gr
adient(low="#d3cbcb", high="#852eaa")+
```

Which property type is listed the most in Seattle'





In top neighborhoods the property type which are listed the most are Apartments and Houses. In capitol Hill which has a variety of property types to be rented ~65 % of the listed properties are Apartments.

```
# what is the contribution of proerty_type on high booking rate
 dfAirbnbTrainSeattle %>%
  group_by(property_type) %>%
  filter(high booking rate==1)%>%
  tally()%>%
  mutate(pct = 100*n/sum(n)) %>%
  arrange(desc(pct))
## # A tibble: 20 x 3
##
      property_type
                             n
                                   pct
##
      <fct>
                         <int>
                                 <dbl>
##
  1 House
                           619 29.1
                           615 28.9
##
    2 Apartment
    3 Guest suite
                           361 16.9
##
## 4 Townhouse
                           181 8.50
```

```
## 5 Guesthouse
                         106 4.98
## 6 Condominium
                         104 4.88
## 7 Loft
                         40 1.88
## 8 Bungalow
                         33 1.55
## 9 Cottage
                         17 0.798
## 10 Serviced apartment 13 0.610
## 11 Other
                         10 0.469
                          8 0.376
## 12 Tiny house
                          5 0.235
## 13 Cabin
                         4 0.188
## 14 Bed and breakfast
## 15 Camper/RV
                          4 0.188
## 16 Boat
                          3 0.141
## 17 Boutique hotel
                           2 0.0939
## 18 Hostel
                           2 0.0939
## 19 Villa
                           2 0.0939
## 20 Tent
                           1 0.0469
```

Apartments and Houses contribute ~60 % to high booking rate, wheres condos only contribute ~4%. It confirms with our research for initial acquisition of homes For Property type if one want to run an Airbnb "hotel" it is advisable to buy a house or apartments since almost all condo buildings in Seattle prohibit this type of rental. The advantage of single-family homes is that they generally charge much more in rent and the tenants may stay for multiple years.

RESULTS AND FINDINGS:

It's a great time to invest in the Seattle housing market based on our research as real estate properties are selling at the market price which is a good sign for Seattle real estate investors. Home prices in Seattle will fall. The city is shifting toward the "neutral" territory.

Seattle is also a bustling city for business, the surrounding suburbs house eight Fortune 500 companies including Amazon, Nordstrom, Microsoft, and Starbucks. Other large companies include MSNBC, Costco, Capital One Investing, and T-Mobile. Amazon HQ2 has effected the Seattle Housing Market, the median home price in the Seattle housing market shot up. Home prices in the metro area went up 47% which is nearly twice as high as the national increase of 24%. After Washington State outlawed rent control, the Market is friendly for Landlords as the rents can be raised to keep up with inflation and demand. We would recommend according to our findings to invest in or near Capitol Hill and University District for steady income. To invest in Apartment or House. And Finally, to list the property with airbnb during Nov or December[as also obtained in analysis] to leverage the popular times of Jan_apr and most

importantly Jun-September when most of the tourists visit Settle for varoius festivals and events like Seattle International Film Festival (May-June), Capitol Hill Block Party (July), Bumbershoot (September). Most of the tourist return year round and therefore Airbnb platform can be used during these periods for network effects and to create a loyal customer base.

PREDICTIVE ANALYSIS:

Running xGBoost model. Makking a copy of the dataset since we need to change data types of some variables.

```
##
airbnbSeattleTrain<- dfAirbnbTrainSeattle
## Parsed with column specification:
## cols(
##
     .default = col_character(),
##
     id = col double(),
     high_booking_rate = col_double(),
     accommodates = col double(),
##
##
     availability_30 = col_double(),
##
     availability_365 = col_double(),
##
     availability_60 = col_double(),
     availability_90 = col_double(),
##
##
     bathrooms = col_double(),
##
     bedrooms = col double(),
     beds = col_double(),
##
##
     guests_included = col_double(),
     host_has_profile_pic = col_logical(),
##
##
     host identity verified = col logical(),
##
     host_is_superhost = col_logical(),
     host listings count = col double(),
##
     host_since = col_date(format = ""),
##
     instant_bookable = col_logical(),
##
     is_business_travel_ready = col_logical(),
##
     is location exact = col logical(),
##
##
     latitude = col double()
     # ... with 16 more columns
##
## )
## See spec(...) for full column specifications.
## Warning: 1 parsing failure.
## row
                              expected actual
                                                                   file
## 4740 zipcode no trailing characters -4417 'AirbnbSeattleTrain.csv'
airbnbSeattleTest <- dfAirbnbTestSeattle</pre>
```

```
## Parsed with column specification:
## cols(
     .default = col_character(),
##
##
     id = col double(),
##
     accommodates = col double(),
     availability_30 = col_double(),
##
##
     availability 365 = col double(),
##
     availability_60 = col_double(),
##
     availability 90 = col double(),
##
     bathrooms = col double(),
##
     bedrooms = col double(),
##
     beds = col double(),
##
     guests included = col double(),
##
     host_has_profile_pic = col_logical(),
##
     host_identity_verified = col_logical(),
##
     host_is_superhost = col_logical(),
##
     host listings count = col double(),
##
     host since = col date(format = ""),
##
     instant bookable = col logical(),
##
     is_business_travel_ready = col_logical(),
##
     is location exact = col logical(),
     latitude = col_double(),
##
##
     longitude = col double()
##
     # ... with 15 more columns
## )
## See spec(...) for full column specifications.
## Warning: 1 parsing failure.
## row
                                                                   file
            col
                               expected actual
## 1016 zipcode no trailing characters -4417 'AirbnbSeattleTest.csv'
dropCols <- c("weekly_price","id","zipcode","host_acceptance_rate","host_has_</pre>
profile_pic", "square_feet", "latitude", "longitude", "require_guest_phone_verifi
cation","require_guest_profile_picture","space","state","transit","monthly_pr
ice","access","city","description","interaction","neighborhood_overview","hos
t_about", "host_location", "host_neighbourhood", "host_response_rate", "host_resp
onse_time","host_since","host_verifications","house_rules","notes","is_locati
on_exact", "market", "requires_license", "review_scores_accuracy", "review_score
s_checkin", "review_scores_cleanliness", "review_scores_communication", "review_
scores_location", "review_scores_rating", "review_scores_value", "host_listings_
count", "is_business_travel_ready", "availability_30", "availability_60", "avail
ability 90", "amenities", "neighbourhood")
airbnbSeattleTrain <- airbnbSeattleTrain %>% select(- (dropCols))
airbnbSeattleTest <- airbnbSeattleTest %>% select(-(dropCols))
#Changing datatype to numeric to run xgBoost for Train
airbnbSeattleTrain$extra_people <- as.numeric(gsub('\\$|,', '', airbnbSeattle</pre>
```

Train\$extra people))

```
airbnbSeattleTrain$price <- as.numeric(gsub('\\$|,', '', airbnbSeattleTrain$p
rice))
airbnbSeattleTrain$security_deposit <- as.numeric(gsub('\\$|,', '', airbnbSea</pre>
ttleTrain$security deposit))
airbnbSeattleTrain$cleaning_fee <- as.numeric(gsub('\\$|,', '', airbnbSeattle</pre>
Train$cleaning_fee))
airbnbSeattleTest$extra_people <- as.numeric(gsub('\\$|,', '', airbnbSeattleT</pre>
est$extra people))
airbnbSeattleTest$price <- as.numeric(gsub('\\$|,', '', airbnbSeattleTest$pri</pre>
airbnbSeattleTest$security deposit <- as.numeric(gsub('\\$|,','', airbnbSeat
tleTest$security deposit))
airbnbSeattleTest$cleaning_fee <- as.numeric(gsub('\\$|,', '', airbnbSeattleT</pre>
est$cleaning fee))
airbnbSeattleTrain <- airbnbSeattleTrain %>%
                      mutate(cleaning_fee = as.numeric(str_replace all(airbnb
SeattleTrain$cleaning fee,"[$,]",'')))
meanCleaningFee <- mean(airbnbSeattleTrain$cleaning fee, na.rm = TRUE)</pre>
airbnbSeattleTrain <- airbnbSeattleTrain %>%
                    mutate(cleaning fee = replace na(cleaning fee, meanCleani
ngFee))
airbnbSeattleTest <- airbnbSeattleTest %>%
                      mutate(cleaning fee = as.numeric(str replace all(airbnb
SeattleTest$cleaning_fee,"[$,]",'')))
meanCleaningFee <- mean(airbnbSeattleTest$cleaning_fee, na.rm = TRUE)</pre>
airbnbSeattleTest <- airbnbSeattleTest %>%
                    mutate(cleaning_fee = replace_na(cleaning_fee, meanCleani
ngFee))
airbnbSeattleTrain <- airbnbSeattleTrain %>%
                      mutate(extra_people = as.numeric(str_replace_all(airbnb
SeattleTrain$extra_people,"[$,]",'')))
airbnbSeattleTest <- airbnbSeattleTest %>%
                      mutate(extra_people = as.numeric(str_replace_all(airbnb
SeattleTest$extra_people,"[$,]",'')))
airbnbSeattleTrain <- airbnbSeattleTrain %>%
                      mutate(price = as.numeric(str replace all(airbnbSeattle
Train\(\frac{\}{\},\rac{\}{\},\rac{\}{\}\)
meanPrice <- mean(airbnbSeattleTrain$price, na.rm = TRUE)</pre>
```

```
airbnbSeattleTrain <- airbnbSeattleTrain %>%
                    mutate(price = replace na(price, meanPrice))
airbnbSeattleTest <- airbnbSeattleTest %>%
                      mutate(price = as.numeric(str_replace_all(airbnbSeattle
Test$price,"[$,]",'')))
meanPrice <- mean(airbnbSeattleTest$price, na.rm = TRUE)</pre>
airbnbSeattleTest <- airbnbSeattleTest %>%
                    mutate(price = replace_na(price, meanPrice))
airbnbSeattleTrain$security_deposit <- ifelse(is.na(airbnbSeattleTrain$securi</pre>
ty_deposit),0,airbnbSeattleTrain$security_deposit)
airbnbSeattleTest$security deposit <- ifelse(is.na(airbnbSeattleTest$security
_deposit),0,airbnbSeattleTest$security_deposit)
\#Mean = 1.36
airbnbSeattleTrain$bedrooms <- as.numeric(airbnbSeattleTrain$bedrooms)</pre>
airbnbSeattleTrain$bedrooms[is.na(airbnbSeattleTrain$bedrooms)] <- 3.5
summary(airbnbSeattleTrain$bedrooms)
##
      Min. 1st Qu. Median
                              Mean 3rd Qu.
                                              Max.
##
     0.000 1.000
                     1.000
                             1.383 2.000
                                             8.000
table(airbnbSeattleTrain$bedrooms)
##
##
              2 3 3.5
                                   51
    670 3000 1058 468
                        4 145
airbnbSeattleTest$bedrooms <- as.numeric(airbnbSeattleTest$bedrooms)</pre>
airbnbSeattleTest$bedrooms[is.na(airbnbSeattleTest$bedrooms)] <- 3.5</pre>
airbnbSeattleTrain$beds = ifelse(is.na(airbnbSeattleTrain$beds), ave(airbnbSe
attleTrain$beds, FUN = function(x) median(x, na.rm = TRUE)), airbnbSeattleTra
in$beds)
airbnbSeattleTest$beds = ifelse(is.na(airbnbSeattleTest$beds), ave(airbnbSeat
tleTest$beds, FUN = function(x) median(x, na.rm = TRUE)), airbnbSeattleTest$b
eds)
airbnbSeattleTrain$bathrooms = ifelse(is.na(airbnbSeattleTrain$bathrooms), av
e(airbnbSeattleTrain$bathrooms, FUN = function(x) median(x, na.rm = TRUE)), a
irbnbSeattleTrain$bathrooms)
airbnbSeattleTest$bathrooms = ifelse(is.na(airbnbSeattleTest$bathrooms), ave(
airbnbSeattleTest$bathrooms, FUN = function(x) median(x, na.rm = TRUE)), airb
nbSeattleTest$bathrooms)
```

```
airbnbSeattleTrain$host identity verified = ifelse(is.na(airbnbSeattleTrain$h
ost identity verified), FALSE, airbnbSeattleTrain$host identity verified)
airbnbSeattleTest$host identity verified = ifelse(is.na(airbnbSeattleTest$hos
t_identity_verified),FALSE, airbnbSeattleTest$host_identity_verified)
airbnbSeattleTrain$host is superhost = ifelse(is.na(airbnbSeattleTrain$host i
s superhost),FALSE, airbnbSeattleTrain$host is superhost)
airbnbSeattleTest$host is superhost = ifelse(is.na(airbnbSeattleTest$host is
superhost),FALSE, airbnbSeattleTest$host_is_superhost)
airbnbSeattleTrain$high_booking_rate <- as.factor(airbnbSeattleTrain$high_boo</pre>
king rate)
airbnbSeattleTrain$cancellation policy <- as.numeric(airbnbSeattleTrain$cance
llation_policy)
## Warning: NAs introduced by coercion
airbnbSeattleTest$cancellation policy <- as.numeric(airbnbSeattleTest$cancell</pre>
ation_policy)
## Warning: NAs introduced by coercion
airbnbSeattleTrain$room_type <- as.numeric(airbnbSeattleTrain$room_type)</pre>
## Warning: NAs introduced by coercion
airbnbSeattleTest$room type <- as.numeric(airbnbSeattleTest$room type)</pre>
## Warning: NAs introduced by coercion
airbnbSeattleTrain$bed_type <- as.numeric(airbnbSeattleTrain$bed_type)</pre>
## Warning: NAs introduced by coercion
airbnbSeattleTest$bed_type <- as.numeric(airbnbSeattleTest$bed_type)</pre>
## Warning: NAs introduced by coercion
airbnbSeattleTrain$property_type <- as.numeric(airbnbSeattleTrain$property_ty</pre>
pe)
## Warning: NAs introduced by coercion
airbnbSeattleTest$property_type <- as.numeric(airbnbSeattleTest$property_type
## Warning: NAs introduced by coercion
airbnbSeattleTrain$instant_bookable <- as.numeric(airbnbSeattleTrain$instant_</pre>
bookable)
airbnbSeattleTest$instant bookable <- as.numeric(airbnbSeattleTest$instant bo
okable)
```

```
airbnbSeattleTrain$host identity verified <- as.numeric(airbnbSeattleTrain$ho
st identity verified)
airbnbSeattleTest$host_identity_verified <- as.numeric(airbnbSeattleTest$host</pre>
identity verified)
airbnbSeattleTrain$host is superhost <- as.numeric(airbnbSeattleTrain$host is
_superhost)
airbnbSeattleTest$host is superhost <- as.numeric(airbnbSeattleTest$host is s
uperhost)
#running the xgBoost model
dfTrain <- airbnbSeattleTrain %>% sample_frac(.80)
dfValid <- setdiff(airbnbSeattleTrain, dfTrain)</pre>
library("xgboost")
##
## Attaching package: 'xgboost'
## The following object is masked from 'package:plotly':
##
       slice
##
## The following object is masked from 'package:dplyr':
##
##
       slice
set.seed(123)
X_train = xgb.DMatrix(as.matrix(dfTrain %>% select(-(high_booking_rate))))
Y_train = dfTrain$high_booking_rate
set.seed(123)
X test = xgb.DMatrix(as.matrix(dfValid %>% select(-high booking rate)))
Y_test = dfValid$high_booking_rate
xgb trcontrol = trainControl(
  method = "cv",
  number = 10,
  allowParallel = TRUE,
  verboseIter = FALSE,
  returnData = FALSE
)
xgbGrid <- expand.grid(nrounds = c(100,200),</pre>
                       max_depth = c(10, 15, 20, 25),
                       colsample bytree = seq(0.5, 0.9, length.out = 5),
                       eta = 0.1,
                       gamma=0,
                       min child weight = 1,
                       subsample = 1
```

```
xgb model = train(
  X_train, Y_train,
  trControl = xgb_trcontrol,
  tuneGrid = xgbGrid,
  method = "xgbTree"
)
resultsXg <-
  xgb_model %>%
    predict(X_test, type= 'prob') %>%
  bind cols(dfValid,predictedClass=.)
resultsXg
## # A tibble: 5,414 x 23
      high booking ra... accommodates availability 365 bathrooms bed type bedro
oms
##
      <fct>
                               <dbl>
                                                 <dbl>
                                                            <dbl>
                                                                     <dbl>
                                                                               <d
bl>
## 11
                                   3
                                                    16
                                                                1
                                                                        NA
0
## 2 1
                                   4
                                                     0
                                                                1
                                                                        NA
1
## 3 0
                                   2
                                                    90
                                                                1
                                                                        NA
1
## 4 0
                                   1
                                                     0
                                                                1
                                                                        NA
1
## 5 0
                                                   160
                                                                        NA
                                    6
                                                                1
2
## 6 0
                                   4
                                                   358
                                                                2
                                                                        NA
2
## 7 1
                                    2
                                                   137
                                                                1
                                                                        NA
1
## 8 0
                                   4
                                                     0
                                                                1
                                                                        NA
0
## 9 0
                                   2
                                                                        NA
                                                    66
                                                                1
1
## 10 0
                                   3
                                                   273
                                                                1
                                                                        NΑ
1
## # ... with 5,404 more rows, and 17 more variables: beds <dbl>,
       cancellation_policy <dbl>, cleaning_fee <dbl>, extra_people <dbl>,
       guests_included <dbl>, host_identity_verified <dbl>,
## #
       host_is_superhost <dbl>, instant_bookable <dbl>, maximum_nights <dbl>,
## #
## #
       minimum_nights <dbl>, price <dbl>, property_type <dbl>, room_type <dbl</pre>
>,
       security_deposit <dbl>, `{randomControl}` <dbl>, `0` <dbl>, `1` <dbl>
## #
names(resultsXg)[23] <- "predictedClass"</pre>
#resultsXq$predictedClass<- as.numeric(resultsXq$predictedClass)</pre>
```

```
resultsXg = resultsXg %>% mutate(predictedHbr = as.factor(ifelse(predictedCla
ss > 0.6, 1, 0)))
resultsXg
## # A tibble: 5,414 x 24
      high booking ra... accommodates availability 365 bathrooms bed type bedro
##
oms
##
      <fct>
                               <dbl>
                                                 <dbl>
                                                           <dbl>
                                                                    <dbl>
                                                                              <d
bl>
## 11
                                   3
                                                    16
                                                               1
                                                                       NA
0
## 2 1
                                   4
                                                     0
                                                               1
                                                                       NA
1
##
   3 0
                                   2
                                                    90
                                                               1
                                                                       NA
1
## 4 0
                                                     0
                                                                       NΑ
                                   1
                                                               1
1
##
  5 0
                                   6
                                                   160
                                                               1
                                                                        NA
2
## 60
                                   4
                                                   358
                                                               2
                                                                       NA
2
##
  7 1
                                   2
                                                   137
                                                               1
                                                                       NA
1
## 8 0
                                   4
                                                     0
                                                               1
                                                                       NA
0
                                   2
##
  9 0
                                                    66
                                                               1
                                                                        NA
1
## 10 0
                                   3
                                                   273
                                                                       NA
                                                               1
1
## # ... with 5,404 more rows, and 18 more variables: beds <dbl>,
       cancellation_policy <dbl>, cleaning_fee <dbl>, extra_people <dbl>,
       guests_included <dbl>, host_identity_verified <dbl>,
## #
## #
       host is_superhost <dbl>, instant_bookable <dbl>, maximum_nights <dbl>,
## #
       minimum_nights <dbl>, price <dbl>, property_type <dbl>, room_type <dbl
>,
## #
       security_deposit <dbl>, `{randomControl}` <dbl>, `0` <dbl>,
## #
       predictedClass <dbl>, predictedHbr <fct>
resultsXg %>%
  xtabs(~predictedHbr+high_booking_rate, .) %>%
  confusionMatrix(positive='1')
## Confusion Matrix and Statistics
##
##
               high booking rate
## predictedHbr
                   0
                        1
##
              0 3201 156
##
              1
                  83 1974
##
```

```
##
                  Accuracy : 0.9559
##
                    95% CI: (0.95, 0.9612)
       No Information Rate: 0.6066
##
##
       P-Value [Acc > NIR] : < 2.2e-16
##
##
                     Kappa: 0.9069
##
   Mcnemar's Test P-Value : 3.204e-06
##
##
##
               Sensitivity: 0.9268
##
               Specificity: 0.9747
##
           Pos Pred Value: 0.9596
##
           Neg Pred Value: 0.9535
##
                Prevalence: 0.3934
##
            Detection Rate: 0.3646
##
     Detection Prevalence: 0.3799
##
         Balanced Accuracy: 0.9507
##
##
          'Positive' Class : 1
##
```

We see the specificity and sensitivity are high. We have a good model here to predict high booking rate. Investor can use this model and see if their listings will have a good booking rate or not.

CONCLUSION AND DISCUSSION

Findings

- 1. Belltown was the neighbourhood with the highest listings.
- 2. Capitol Hill was the neighbourhood which had the most expensive as well as the least expensive properties.
- 3. Apartments were the most common property type in Seattle.
- 4. The spread of properties was almost consistant across the whole state. There is a little higher concentration in central Seattle compared to the rest of the state.
- Restaurants were the most common attraction in a neihbourhood.
- 6. Bus was the most popular type of transit.
- 7. Wifi, Shampoo, Essentials and Kitchens were the most common amenities.

Future Research

- 1. If the data that is gathered and has less NA values, we can give more accurate recommendations with the help of the models we run.
- 2. If seasonality can be added to the data, it will help us greatly in future predictions.
- 3. If we have a column for the periods of time the properties are accupied, it can help do better EDA to present to the investors.
- 4. If we have some additional parameters we can calculate the time required to break-even on the investment. This will help build a strong case for investors.

Limitations

- 1. The data scraped for this research was not clean and there were a lot of missing values due to which we had to remove all the NA values which led to the analysis being skewed.
- 2. We had difficulties in merging with other data sets to do a more in-depth analysis.
- 3. We were unable to get reviews of the users. The reviews provided by the owners would be biased in their favor and could not give us the correct picture.

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