MSDS 422_Assignment 2

April 24, 2022

0.1 Part 1: Regularized Regression Methods

```
[147]: #Import useful libraries
       import os
       import numpy as np
       import pandas as pd
       import math
       import matplotlib.pyplot as plt
       import seaborn as sns
       from sklearn import preprocessing
       from sklearn.compose import ColumnTransformer
       from sklearn.model selection import train test split
       from sklearn.model_selection import KFold
       from sklearn import metrics
       from sklearn.linear_model import Ridge
       from sklearn.linear_model import Lasso
       from sklearn.linear_model import ElasticNet
       %matplotlib inline
```

0.1.1 1.1: Data Cleaning, EDA

```
[148]: train = pd.read_csv("housing_train.csv")
    test = pd.read_csv("housing_test.csv")

    train.columns = train.columns.str.replace(' ', '')
    test.columns = test.columns.str.replace(' ', '')

[149]: #Check that data loaded correctly
    print(train.shape)
    print(test.shape)

    (1460, 81)
    (1459, 80)

[151]: #Save ID Column
    train_ID = train['Id']
    test_ID = test['Id']
```

```
#Drop ID column for prediction
train.drop("Id", axis = 1, inplace = True)
test.drop("Id", axis = 1, inplace = True)
```

```
[152]: #Create training and validation data sets
np.random.seed(42)

Y = train["SalePrice"]
X = train.drop("SalePrice",axis=1)

#Split data into training and validation sets using sklearn with an 80/20 split
X_train, X_val, Y_train, Y_val = train_test_split(X, Y, train_size=0.8, □ → random_state=42)
```

In the last assignment, we focused on 12 features to base predictions on: "OverallQual", "Gr-LivArea", "GarageArea", "YearRemodAdd", "FullBath", "YearBuilt", "1stFlrSF", "Neighborhood", "OverallCond", "BsmtFinType1", "HouseStyle", "SaleCondition".

Let's double check to see if we should keep these features or add/replace them with additional features not used in the assignment 1 analysis

```
[153]: #In assignment 1 correlations were determined using Pearson's coeff with the

→ the following identified as important features

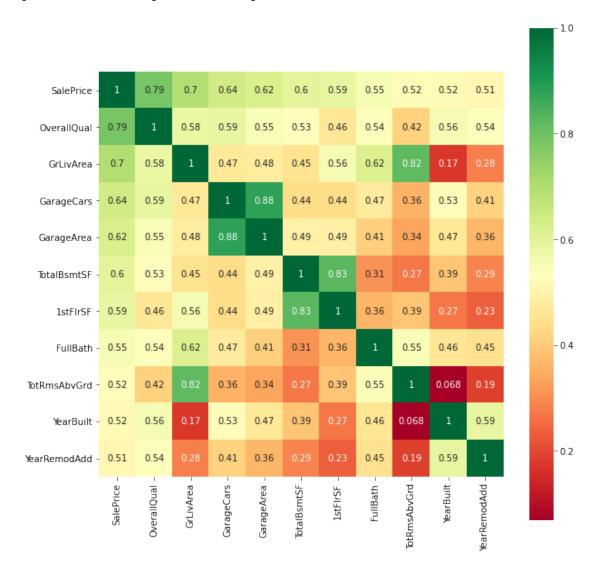
copy = X_train.copy()

copy["SalePrice"] = Y_train.astype(float)

copy.corr()["SalePrice"].sort_values(ascending=False).head(11)
```

```
[153]: SalePrice
                       1.000000
      OverallQual
                       0.785555
       GrLivArea
                       0.695652
       GarageCars
                       0.640991
       GarageArea
                       0.624139
      TotalBsmtSF
                       0.597766
       1stFlrSF
                       0.587883
      FullBath
                       0.552546
      TotRmsAbvGrd
                       0.520388
       YearBuilt
                       0.516501
       YearRemodAdd
                       0.508593
       Name: SalePrice, dtype: float64
```

[154]: <matplotlib.axes._subplots.AxesSubplot at 0x2ae4f051880>



Pearson's coefficient evaluates linear relationships between continuous variables. We note that some of these features are configured as ranked choice (OverallQual, GarageCars). With these types of variables it is preferred to use Spearman's Correlation coefficient because it can detect nonlinear relationships and works better for ranking-type data.

```
[155]: copy.corr(method='spearman')["SalePrice"].sort_values(ascending=False).head(11)
```

```
[155]: SalePrice 1.000000
OverallQual 0.801016
GrLivArea 0.723435
GarageCars 0.686763
YearBuilt 0.643216
```

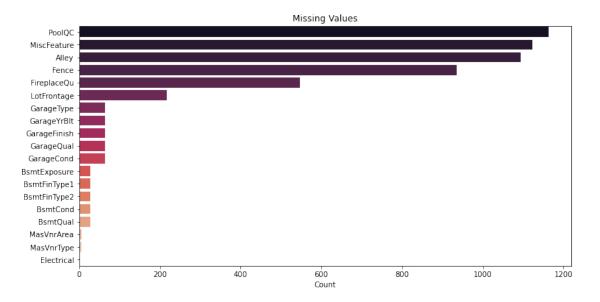
```
GarageArea 0.638676
FullBath 0.625567
TotalBsmtSF 0.595014
GarageYrBlt 0.581821
1stFlrSF 0.566305
YearRemodAdd 0.562948
Name: SalePrice, dtype: float64
```

Some of the coefficient values have changed but the identified features remain the same between the two types of coefficients. For assignment 1, categorical features were chosen based on intuition considering the condition of the home.

In this assignment we will try a different approach. Instead of selecting a few variables, the entire dataset will be cleaned up as much as possible and used for analysis. We will see if this approach gives better results given the lowered risk of data loss associated with removing variables.

[156]:		Count	Percent
	PoolQC	1162	79.589041
	MiscFeature	1122	76.849315
	Alley	1094	74.931507
	Fence	935	64.041096
	FireplaceQu	547	37.465753
	${ t LotFrontage}$	217	14.863014
	${\tt GarageType}$	64	4.383562
	${\tt GarageYrBlt}$	64	4.383562
	${\tt GarageFinish}$	64	4.383562
	GarageQual	64	4.383562
	${\tt GarageCond}$	64	4.383562
	${\tt BsmtExposure}$	28	1.917808
	${\tt BsmtFinType1}$	28	1.917808

```
BsmtFinType2
                  28
                        1.917808
BsmtCond
                  28
                        1.917808
BsmtQual
                  28
                        1.917808
MasVnrArea
                   6
                        0.410959
MasVnrType
                   6
                        0.410959
Electrical
                    1
                        0.068493
```



Missing values for most of these features indicate an absence of that given feature. If the feature is categorical, we will replace the NA values with "None". If the feature is numeric the NA will be replaced with a 0.

Three variables that stand out are LotFrontage, GarageYrBlt. Instead of replacing these with 0's we will replace the NAs of GarageYrBlt with the year the home was built and the NAs of LotFrontage with the median of lot frontage grouped by neighborhood. This will probably give a more representative result than replacing these values with 0.

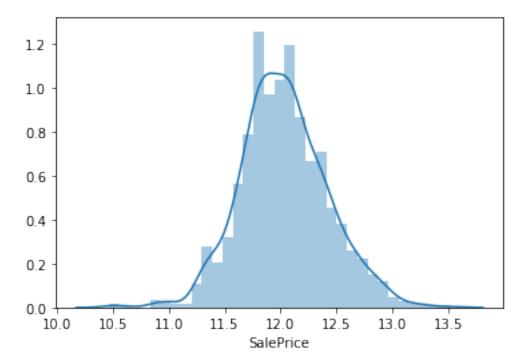
```
num missing = ['GarageArea', 'GarageCars', 'BsmtFinSF1', 'BsmtFinSF2', |
       \hookrightarrow 'BsmtUnfSF',
           'TotalBsmtSF', 'BsmtFullBath', 'BsmtHalfBath', 'MasVnrArea']
      X train[num missing] = X train[num missing].fillna(0)
      X_val[num_missing] = X_val[num_missing].fillna(0)
      test[num_missing] = test[num_missing].fillna(0)
       #LotFrontage and GarageYrBlt
      X_train["LotFrontage"] = X_train["LotFrontage"].fillna(X_train["LotFrontage"].
      X_train["GarageYrBlt"] = X_train["GarageYrBlt"].fillna(X_train["YearBuilt"])
      X_val["LotFrontage"] = X_val["LotFrontage"].fillna(X_val["LotFrontage"].mean())
      X_val["GarageYrBlt"] = X_val["GarageYrBlt"].fillna(X_val["YearBuilt"])
      test["LotFrontage"] = test["LotFrontage"].fillna(test["LotFrontage"].mean())
      test["GarageYrBlt"] = test["GarageYrBlt"].fillna(test["YearBuilt"])
[158]: #Check if missing values are gone
      print(X_train.isna().values.any())
      print(X val.isna().values.any())
      print(test.isna().values.any())
      False
      False
      False
[159]: #Separate dataset into categorical and numeric features
      Xtrain_num = X_train.select_dtypes(include=["float","int64"]).columns
      Xtrain_cat = X_train.select_dtypes(include=["object"]).columns
      Xval_num = X_val.select_dtypes(include=["float","int64"]).columns
      Xval_cat = X_val.select_dtypes(include=["object"]).columns
      test_num = test.select_dtypes(include=["float","int64"]).columns
      test_cat = test.select_dtypes(include=["object"]).columns
[160]: from sklearn.pipeline import Pipeline
      from sklearn.preprocessing import StandardScaler, OneHotEncoder
      numeric_transformer = Pipeline(steps=[('scaler', StandardScaler())])
      categorical_transformer = Pipeline(steps=[("onehot", __
       #Use Column transformer to perform scaling for numeric variables and one-hot_{f \sqcup}
       →encoding for categorical variables
      ct = ColumnTransformer(
          transformers=
```

```
[('standardized',numeric_transformer,Xtrain_num),
    ('oneHotter', categorical_transformer,Xtrain_cat)])
```

From assignment 1, we saw that the target variable was skewed. We want to again perform a log transformation on SalePrice to give the target variable a normal distribution shape

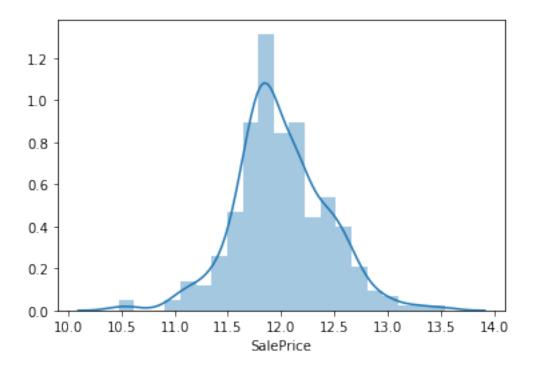
```
[161]: y = np.log(Y_train)
sns.distplot(y)
print("Skewness: %f" % y.skew())
print("Kurtosis: %f" % y.kurt())
```

Skewness: 0.124880 Kurtosis: 0.700245



```
[162]: #Perform the same log transformation on the validation set
    y_val = np.log(Y_val)
    sns.distplot(y_val)
    print("Skewness: %f" % y_val.skew())
    print("Kurtosis: %f" % y_val.kurt())
```

Skewness: 0.144873 Kurtosis: 1.050142



[163]: #Lets check some of our features for high skew values (>0.75)
skewness = X_train.skew().sort_values(ascending=False)
skewness[abs(skewness) > 0.75]

[163]:	MiscVal	22.053579
	PoolArea	14.396098
	LotArea	11.958088
	3SsnPorch	9.833911
	${\tt LowQualFinSF}$	9.199456
	KitchenAbvGr	4.445055
	BsmtFinSF2	4.217895
	ScreenPorch	4.090393
	BsmtHalfBath	4.005786
	EnclosedPorch	3.163946
	LotFrontage	2.666498
	OpenPorchSF	2.331890
	MasVnrArea	2.294117
	BsmtFinSF1	1.862132
	TotalBsmtSF	1.723881
	WoodDeckSF	1.587330
	MSSubClass	1.438804
	GrLivArea	1.425139
	1stFlrSF	1.422162
	BsmtUnfSF	0.910628
	2ndFlrSF	0.801209

dtype: float64

```
[164]: #We can perform a log transformation on these columns as well
       \#Remove\ MSSubClass/KitchenAbvGr/BsmtHalfBath\ because\ they\ are\ not\ a\ continuous_{\sqcup}
        \rightarrownumeric)
       skewed cols = list(skewness[abs(skewness) > 0.75].index)
       skewed_cols = [
           col for col in skewed_cols if col not in ['MSSubClass', 'KitchenAbvGr', u
        → 'BsmtHalfBath']
       ]
       for col in skewed_cols:
           X_train[col] = np.log(1 + X_train[col])
           X_{val}[col] = np.log(1 + X_{val}[col])
           test[col] = np.log(1 + test[col])
[165]: #check skew values
       X_train[skewed_cols].skew().sort_values(ascending=False)
[165]: PoolArea
                         13.874124
       3SsnPorch
                          7.510573
```

```
LowQualFinSF
                  7.447547
MiscVal
                  5.004489
ScreenPorch
                  3.062578
BsmtFinSF2
                  2.561997
EnclosedPorch
                  2.179302
MasVnrArea
                  0.452588
2ndFlrSF
                  0.268476
WoodDeckSF
                  0.181798
1stFlrSF
                  0.026976
GrLivArea
                  0.007943
LotArea
                 -0.012599
OpenPorchSF
                 -0.064149
BsmtFinSF1
                 -0.622601
LotFrontage
                 -0.821789
BsmtUnfSF
                 -2.188927
TotalBsmtSF
                 -5.274632
dtype: float64
```

Still a few high values but overall there should be an improvement.

0.2 1.2: Model Training, Evaluation, and Comparison

```
[166]: #We are going to use K-fold validation with 10 folds
kf=KFold(n_splits=10)

#Alpha values for hyperparameter testing
alphas=[0.001,0.01,0.1,1.0,10,100]
```

0.2.1 Ridge Regression

```
[167]: #Use the processing loop from the getting started notebook
       #This will perform the transformations and model fitting within each fold
       resListofDicts=[]
                                                 # a list of results in dicts
       for alphVal in alphas: # Outer processing loop
           fold = 0
                               # fold counter
           for trainNdx, testNdx in kf.split(X_train): # cv loop. should do it 10_\( \)
        \rightarrow times.
               fold+=1
               Xtr = ct.fit_transform(X_train.iloc[trainNdx]) # fit and transform X__
        \rightarrow training fold
               Xval = ct.transform(X_train.iloc[testNdx])
                                                                # transform X test fold
               regMod=Ridge(alpha=alphVal) # instantiate regressor
               fitMod=regMod.fit(Xtr,y.iloc[trainNdx])
                                                                  # fitted
               predtr = fitMod.predict(Xtr)
                                                         # training pred values
               predval = fitMod.predict(Xval)
                                                     # test pred values
               msetr = metrics.mean squared error(y.iloc[trainNdx],predtr)
               mseval = metrics.mean_squared_error(y.iloc[testNdx],predval)
               resDict={'alpha': alphVal,'fold': fold,
                       'trainMSE':msetr,'testMSE':mseval}
               resListofDicts.append(resDict)
```

```
[168]: resultsDF=pd.DataFrame(resListofDicts)
    resultsDF.shape
    resultsDF.columns
```

```
[168]: Index(['alpha', 'fold', 'trainMSE', 'testMSE'], dtype='object')
```

```
[169]: alpha trainMSE testMSE

mean std mean std

0 0.001 0.007632 0.000383 0.021459 0.010698

1 0.010 0.007626 0.000399 0.021371 0.010663
```

```
2 0.100 0.007715 0.000381 0.020277 0.010288
3 1.000 0.008343 0.000398 0.018443 0.009712
4 10.000 0.010401 0.000562 0.017471 0.009172
5 100.000 0.013795 0.000774 0.018002 0.009144
```

It looks like an alpha value of 10 gives the lowest mean MSE for the test data. We will now refit a Ridge Regression Model with an alpha=10.

```
[170]: #Save transformed data
       X_final = ct.fit_transform(X_train)
       X final val = ct.transform(X val)
       test_final = ct.transform(test)
       print(X_final.shape)
       print(X_final_val.shape)
       print(test.shape)
      (1168, 301)
      (292, 301)
      (1459, 79)
[71]: #Fit and Predictions for Ridge Model
       Ridge model = Ridge(alpha=10)
       Ridge_model.fit(X_final,y)
       Ridge_predictions = Ridge_model.predict(X_final)
       Ridge_predictions_val = Ridge_model.predict(X_final_val)
       Ridge_R_squared = Ridge_model.score(X_final,y)
       Ridge_R_squared_val = Ridge_model.score(X_final_val,y_val)
       print(f'R-Squared for Ridge Regression (Training): {Ridge R squared.round(3)}')
       print(f'R-Squared for Ridge Regression (Validation): {Ridge_R_squared_val.
        \rightarrowround(3)}')
```

R-Squared for Ridge Regression (Training): 0.93 R-Squared for Ridge Regression (Validation): 0.909

0.2.2 Lasso Regression

```
regMod=Lasso(alpha=alphVal) # instantiate regressor
              fitMod=regMod.fit(Xtr,y.iloc[trainNdx])
                                                                # fitted
              predtr = fitMod.predict(Xtr)
                                                       # training pred values
              predval = fitMod.predict(Xval)
                                                       # test pred values
              msetr = metrics.mean_squared_error(y.iloc[trainNdx],predtr)
              mseval = metrics.mean_squared_error(y.iloc[testNdx],predval)
              resDict={'alpha': alphVal, 'fold': fold,
                      'trainMSE':msetr,'testMSE':mseval}
              resListofDicts.append(resDict)
[73]: resultsDF=pd.DataFrame(resListofDicts)
      resultsDF.shape
      resultsDF.columns
[73]: Index(['alpha', 'fold', 'trainMSE', 'testMSE'], dtype='object')
[74]: #View results to see which alpha value has the lowest mean MSE for the test data
      resultsSummaryDF=resultsDF.groupby(['alpha'],as_index=False).agg({'trainMSE':
       →['mean','std'],'testMSE':['mean','std']})
      resultsSummaryDF
[74]:
          alpha trainMSE
                                       testMSE
                      mean
                                 std
                                          mean
                                                     std
      0
          0.001 0.012447 0.000690 0.017096 0.009139
      1
          0.010 \quad 0.019002 \quad 0.000914 \quad 0.020668 \quad 0.008600
          0.100 0.045974 0.000970 0.046775 0.012980
      3
          1.000 0.152432 0.003721 0.152624 0.033504
      4 10.000 0.152432 0.003721 0.152624 0.033504
      5 100.000 0.152432 0.003721 0.152624 0.033504
[75]: #Fit and Predictions for Lasso Model
      #Alpha value for lasso is 0.001
      Lasso_model = Lasso(alpha=0.001)
      Lasso_model.fit(X_final,y)
      Lasso_predictions = Lasso_model.predict(X_final)
      Lasso_predictions_val = Lasso_model.predict(X_final_val)
      Lasso_R_squared = Lasso_model.score(X_final,y)
      Lasso_R_squared_val = Lasso_model.score(X_final_val,y_val)
      print(f'R-Squared for Lasso Regression (Training): {Lasso R_squared.round(3)}')
      print(f'R-Squared for Lasso Regression (Validation): {Lasso_R_squared_val.
       \rightarrowround(3)}')
```

R-Squared for Lasso Regression (Training): 0.916

0.2.3 ElasticNet Regression

```
[76]: resListofDicts=[]
                                                                                                      # a list of results in dicts
             for alphVal in alphas: # Outer processing loop
                     fold = 0
                                                                 # fold counter
                     for trainNdx, testNdx in kf.split(X train): # cv loop. should do it 10 to 10 t
               \rightarrow times.
                              fold+=1
                              Xtr = ct.fit_transform(X_train.iloc[trainNdx]) # fit and transform X__
               \hookrightarrow training fold
                              Xval = ct.transform(X_train.iloc[testNdx])  # transform X test fold
                              regMod=ElasticNet(alpha=alphVal) # instantiate regressor
                              fitMod=regMod.fit(Xtr,y.iloc[trainNdx])
                                                                                                                                            # fitted
                                                                                                                        # training pred values
                              predtr = fitMod.predict(Xtr)
                              predval = fitMod.predict(Xval)
                                                                                                                       # test pred values
                              msetr = metrics.mean_squared_error(y.iloc[trainNdx],predtr)
                              mseval = metrics.mean_squared_error(y.iloc[testNdx],predval)
                              resDict={'alpha': alphVal, 'fold': fold,
                                                'trainMSE':msetr,'testMSE':mseval}
                              resListofDicts.append(resDict)
[77]: resultsDF=pd.DataFrame(resListofDicts)
             resultsDF.shape
             resultsDF.columns
[77]: Index(['alpha', 'fold', 'trainMSE', 'testMSE'], dtype='object')
[78]: #View results to see which alpha value has the lowest mean MSE for the test data
             resultsSummaryDF=resultsDF.groupby(['alpha'],as_index=False).agg({'trainMSE':
               resultsSummaryDF
[78]:
                                                                                    testMSE
                       alpha trainMSE
                                               mean
                                                                        std
                                                                                           mean
                                                                                                                   std
                       0.001 0.010576 0.000459 0.017053 0.009212
             0
                       0.010 0.017321 0.000907 0.019669 0.008876
             2
                       0.100 0.029473 0.000855 0.030541 0.009341
                       1.000 0.152432 0.003721 0.152624 0.033504
             3
                  10.000 0.152432 0.003721 0.152624 0.033504
             5 100.000 0.152432 0.003721 0.152624 0.033504
[79]: #Fit and Predictions for ElasticNet Model
             #Alpha value for ElasticNet is 0.001
             E_model = ElasticNet(alpha=0.001)
```

R-Squared for ElasticNet Regression (Training): 0.928 R-Squared for ElasticNet Regression (Validation): 0.914

0.3 1.3: Improve ElasticNet

We will try to improve the ElasticNet Model by performing hyperparameter tuning for the L1 ratio as well as the alpha values.

R-Squared for ElasticNet Regression (Training): 0.928 R-Squared for ElasticNet Regression (Validation): 0.913 We don't see much of an improvement after using Gridsearch, but the performance of the model seems to be the same. Overall, it seems safe to use these hyperparameters because the R-squared of the model is still over 0.9 for both training and validation sets.

0.4 1.4: Model Comparison and Kaggle Predictions

```
[87]: #Use model metrics function from assignment 1
      from sklearn.metrics import r2 score, mean absolute error, mean squared error
      def modMetrics(modName,predTrain,yTrain,predVal,yVal):
          resDict={'model':modName,
                    'trainR2':r2_score(yTrain,predTrain),
                    'valR2':r2_score(yVal,predVal),
                    'trainMSE':mean squared error(yTrain,predTrain),
                    'valMSE':mean_squared_error(yVal,predVal),
                    'trainMAE':mean_absolute_error(yTrain,predTrain),
                    'valMAE':mean_absolute_error(yVal,predVal)
          return resDict
[90]: Ridge_metrics = modMetrics("Ridge_
       →Regression", Ridge_predictions, y, Ridge_predictions_val, y_val)
      Lasso metrics = modMetrics("Lasson
       →Regression", Lasso_predictions, y, Lasso_predictions_val, y_val)
      Elastic_metrics = modMetrics("ElasticNet__
       →Regression", E_predictions, y, E_predictions_val, y_val)
[93]: modList=[]
      modList.append(Ridge_metrics)
      modList.append(Lasso_metrics)
      modList.append(Elastic_metrics)
      pd.DataFrame(modList)
[93]:
                         model
                                 trainR2
                                             valR2 trainMSE
                                                                valMSE trainMAE \
      0
              Ridge Regression 0.930367 0.909061 0.010615 0.016970 0.068543
              Lasso Regression 0.915710
      1
                                          0.906326 0.012850
                                                              0.017481
                                                                        0.074386
        ElasticNet Regression 0.928150
                                          0.913381 0.010953 0.016164 0.070616
           valMAE
      0 0.087036
      1 0.087217
      2 0.084365
```

All 3 of our models performed very well on both the training data and validation data sets, with over 90% R-squared for each model on each set. For our final test data, the ElasticNet model will be used because it had slightly higher R-squared and slightly lower MSE and MAE on the validation set.

```
[172]: #ElasticNet Model predictions for the test set
      Elastic_predictions = E_model.predict(test_final)
      #Inverse Log the predicted values to reverse transformation
      Elastic_predictions = np.expm1(Elastic_predictions)
      #Create predictions dataframe
      E_pred_df = pd.DataFrame()
      E_pred_df["Id"] = test_ID
      E_pred_df["SalePrice"] = Elastic_predictions
      #Check
      E_pred_df.head(10)
[172]:
           Ιd
                   SalePrice
      0 1461 117738.225318
      1 1462 152193.618683
      2 1463 180729.547497
      3 1464 192523.382050
      4 1465 205588.555096
      5 1466 173088.412503
      6 1467 181705.063910
      7 1468 160955.383083
      8 1469 198653.626348
      9 1470 117026.540556
[173]: #Export to CSV File
```

E_pred_df.to_csv("ElasticNet Predictions.csv",index=False)