# Data 607 Final Project

Nfn Tenzin Dakar 2024-12-11

### Introduction

For this final project, I will be working alone. I am going to analyze a dataset that holds data for the Real-Estate industry as reported by Zestimate. Zestimate was created to give consumers as much information as possible about homes and the housing market, marking the first time consumers had access to this type of home value information at no cost

### **Data Source**

Datasets are available at: https://www.kaggle.com/c/zillow-prize-1/data (https://www.kaggle.com/c/zillow-prize-1/data) File descriptions

properties\_2016.csv - all the properties\_2017 with their home features for 2016. properties\_2017.csv - all the properties\_2017 with their home features for 2017 train\_2016.csv - the training set with transactions from 1/1/2016 to 12/31/2016 train\_2017.csv - the training set with transactions from 1/1/2017 to 9/15/2017 sample\_submission.csv - a sample submission file in the correct format zillow\_data\_dictionary.xlsx - definition of data fields

## **Project Goal**

I seek to establish an understanding of the relationship between home prices and characteristics of housing as described in Zestimate's datasets. I will draw a relation to factors such as economic forces, home features, and geographical inequality; and their impact on prices of homes.

I will exhaustively apply the various concepts that I have learnt this far, to come up with a good analysis report of this dataset.

# **Loading Libraries**

library(tidyverse)

```
## — Attaching core tidyverse packages —
                                                               - tidyverse 2.0.0 —
## √ dplyr
               1.1.4
                       √ readr
                                     2.1.5
## √ forcats
               1.0.0

√ stringr

                                     1.5.1
## √ ggplot2
               3.5.1

√ tibble

                                     3.2.1
## ✓ lubridate 1.9.3
                         √ tidyr
                                     1.3.1
## √ purrr
               1.0.2
## — Conflicts —
                                                        — tidyverse_conflicts() —
## X dplyr::filter() masks stats::filter()
## X dplyr::lag()
                  masks stats::lag()
### i Use the conflicted package (<http://conflicted.r-lib.org/>) to force all conflicts to becom
```

#### library(psych)

```
##
## Attaching package: 'psych'
##
## The following objects are masked from 'package:ggplot2':
##
## %+%, alpha
```

```
library(dplyr)
library(shiny)
library(leaflet)
library(ggmap)
```

```
## i Google's Terms of Service: <https://mapsplatform.google.com>
## Stadia Maps' Terms of Service: <https://stadiamaps.com/terms-of-service/>
## OpenStreetMap's Tile Usage Policy: <https://operations.osmfoundation.org/policies/tiles/>
## i Please cite ggmap if you use it! Use `citation("ggmap")` for details.
```

```
library(data.table)
```

```
##
## Attaching package: 'data.table'
##
## The following objects are masked from 'package:lubridate':
##
##
       hour, isoweek, mday, minute, month, quarter, second, wday, week,
##
       yday, year
##
## The following objects are masked from 'package:dplyr':
##
       between, first, last
##
##
## The following object is masked from 'package:purrr':
##
##
       transpose
```

```
library(ggplot2)
library(scales)
```

```
##
## Attaching package: 'scales'
##
## The following objects are masked from 'package:psych':
##
       alpha, rescale
##
##
## The following object is masked from 'package:purrr':
##
       discard
##
##
## The following object is masked from 'package:readr':
##
##
       col_factor
```

```
library(magrittr)
```

```
##
## Attaching package: 'magrittr'
##
## The following object is masked from 'package:ggmap':
##
##
       inset
##
## The following object is masked from 'package:purrr':
##
##
       set_names
##
## The following object is masked from 'package:tidyr':
##
##
       extract
```

```
library(bit64)
```

```
## Loading required package: bit
##
## Attaching package: 'bit'
##
## The following object is masked from 'package:data.table':
##
##
       setattr
##
## The following object is masked from 'package:psych':
##
##
       keysort
##
## The following object is masked from 'package:dplyr':
##
##
       symdiff
##
## The following object is masked from 'package:base':
##
##
       xor
##
## Attaching package bit64
## package:bit64 (c) 2011-2017 Jens Oehlschlaegel
## creators: integer64 runif64 seq :
## coercion: as.integer64 as.vector as.logical as.integer as.double as.character as.bitstring
## logical operator: ! & | xor != == < <= >= >
## arithmetic operator: + - * / %/% %% ^
## math: sign abs sqrt log log2 log10
## math: floor ceiling trunc round
## querying: is.integer64 is.vector [is.atomic] [length] format print str
## values: is.na is.nan is.finite is.infinite
## aggregation: any all min max range sum prod
## cumulation: diff cummin cummax cumsum cumprod
## access: length<- [ [<- [[ [[<-
## combine: c rep cbind rbind as.data.frame
## WARNING don't use as subscripts
## WARNING semantics differ from integer
## for more help type ?bit64
##
## Attaching package: 'bit64'
##
## The following object is masked from 'package:utils':
##
##
       hashtab
##
## The following objects are masked from 'package:base':
##
##
       %in%, :, is.double, match, order, rank
```

```
library(lubridate)
library(corrplot)
```

## corrplot 0.95 loaded

#### library(h2o)

```
##
##
##
## Your next step is to start H2O:
##
       > h2o.init()
##
  For H2O package documentation, ask for help:
##
##
       > ??h2o
##
## After starting H2O, you can use the Web UI at http://localhost:54321
## For more information visit https://docs.h2o.ai
##
##
##
##
  Attaching package: 'h2o'
##
##
##
   The following object is masked from 'package:bit64':
##
       %in%
##
##
  The following objects are masked from 'package:data.table':
##
##
##
       hour, month, week, year
##
## The following objects are masked from 'package:lubridate':
##
##
       day, hour, month, week, year
##
## The following objects are masked from 'package:stats':
##
##
       cor, sd, var
##
## The following objects are masked from 'package:base':
##
##
       %*%, %in%, &&, ||, apply, as.factor, as.numeric, colnames,
##
       colnames<-, ifelse, is.character, is.factor, is.numeric, log,
##
       log10, log1p, log2, round, signif, trunc
```

```
library(lime)
```

```
##
## Attaching package: 'lime'
##
## The following object is masked from 'package:dplyr':
##
## explain
```

```
library(lubridate)
library(magrittr)
library(data.table)
library(bit64)
library(tidyverse)
library(lubridate)
library(mice)
```

```
##
## Attaching package: 'mice'
##
## The following object is masked from 'package:stats':
##
## filter
##
## The following objects are masked from 'package:base':
##
## cbind, rbind
```

```
library(corrplot)
```

## Reading the csv file

```
properties_2017 <- read.csv(file="C:\\Users\\tenzi\\OneDrive\\Documents\\Data607\\Final Project
\\properties_2017.csv", row.names = NULL)
str(properties_2017)</pre>
```

```
## 'data.frame':
                  2985217 obs. of 58 variables:
                                : int 10754147 10759547 10843547 10859147 10879947 10898347 1
   $ parcelid
0933547 10940747 10954547 10976347 ...
   $ airconditioningtypeid
                               : int NA ...
                                : int
                                      NA NA NA NA NA NA NA NA NA ...
##
   $ architecturalstyletypeid
   $ basementsqft
                                      NA NA NA NA NA NA NA NA NA ...
##
                                : int
##
   $ bathroomcnt
                                : num
                                      00000000000...
   $ bedroomcnt
                                      00000000000...
##
                               : num
                                      NA NA 5 3 4 4 NA NA NA 3 ...
##
   $ buildingclasstypeid
                               : int
   $ buildingqualitytypeid
                                      NA NA NA 6 NA 4 NA NA NA 4 ...
##
                               : int
##
   $ calculatedbathnbr
                                      NA NA NA NA NA NA NA NA NA ...
                               : num
##
   $ decktypeid
                                : int
                                      NA NA NA NA NA NA NA NA NA ...
##
   $ finishedfloor1squarefeet
                               : int NA NA NA NA NA NA NA NA NA ...
   $ calculatedfinishedsquarefeet: num
                                      NA NA 73026 5068 1776 ...
   $ finishedsquarefeet12
                               : int
                                      NA NA NA NA NA NA NA NA NA ...
##
##
   $ finishedsquarefeet13
                               : int NA NA NA NA NA NA NA NA NA ...
   $ finishedsquarefeet15
                               : int
                                      NA NA 73026 5068 1776 2400 NA 3611 NA 3754 ...
##
##
   $ finishedsquarefeet50
                               : int
                                      NA NA NA NA NA NA NA NA NA ...
##
  $ finishedsquarefeet6
                               : int NA ...
##
   $ fips
                               : int
                                      ##
   $ fireplacecnt
                               : int
                                      NA NA NA NA NA NA NA NA NA ...
##
   $ fullbathcnt
                               : int NA NA NA NA NA NA NA NA NA ...
##
   $ garagecarcnt
                               : int NA ...
## $ garagetotalsqft
                               : int NA NA NA NA NA NA NA NA NA ...
                                      : chr
   $ hashottuborspa
##
   $ heatingorsystemtypeid
                               : int NA NA NA NA NA NA NA NA NA ...
## $ latitude
                                : int 34144442 34140430 33989359 34148863 34194168 34171873 3
4131929 34171345 34218210 34289776 ...
   $ longitude
                                : int -118654084 -118625364 -118394633 -118437206 -118385816
-118380906 -118351474 -118314900 -118331311 -118432085 ...
##
   $ lotsizesquarefeet
                               : num 85768 4083 63085 7521 8512 ...
  $ poolcnt
                               : int NA NA NA NA NA NA NA NA NA ...
##
   $ poolsizesum
                               : int NA ...
##
##
   $ pooltypeid10
                               : int NA ...
   $ pooltypeid2
                               : int NA NA NA NA NA NA NA NA NA ...
##
##
   $ pooltypeid7
                               : int NA NA NA NA NA NA NA NA NA ...
                               : chr "010D" "0109" "1200" "1200" ...
##
   $ propertycountylandusecode
##
   $ propertylandusetypeid
                               : int 269 261 47 47 31 31 260 31 269 31 ...
                                : chr "" "LCA11*" "LAC2" "LAC2" ...
   $ propertyzoningdesc
##
   $ rawcensustractandblock
                                      60378002 60378001 60377030 60371412 60371232 ...
##
                               : num
## $ regionidcity
                                : int
                                      37688 37688 51617 12447 12447 12447 12447 396054 396054
47547 ...
## $ regionidcounty
                                      : int
                               : int NA NA NA 27080 46795 46795 274049 NA NA NA ...
##
  $ regionidneighborhood
                               : int 96337 96337 96095 96424 96450 96446 96049 96434 96436 9
## $ regionidzip
6366 ...
                                      0000000000...
##
   $ roomcnt
                               : num
## $ storytypeid
                               : int NA ...
## $ threequarterbathnbr
                                : int NA NA NA NA NA NA NA NA NA ...
   $ typeconstructiontypeid
                                : int NA NA NA NA NA NA NA NA NA ...
##
##
   $ unitcnt
                                : int NA NA 2 NA 1 NA NA NA NA NA ...
   $ yardbuildingsqft17
                                : int NA NA NA NA NA NA NA NA NA ...
```

```
$ yardbuildingsqft26
                               : int NA NA NA NA NA NA NA NA NA ...
## $ yearbuilt
                               : num NA NA 1959 1948 1947 ...
## $ numberofstories
                               : int NA NA 1 1 1 1 NA 1 NA 1 ...
                                      ...
## $ fireplaceflag
                               : chr
## $ structuretaxvaluedollarcnt : num NA NA 660680 580059 196751 ...
## $ taxvaluedollarcnt
                                     9 27516 1434941 1174475 440101 ...
                               : num
## $ assessmentyear
                               : int 2016 2015 2016 2016 2016 2016 2016 2016 2016 ...
## $ landtaxvaluedollarcnt
                               : num 9 27516 774261 594416 243350 ...
## $ taxamount
                               : num NA NA 20800 14558 5725 ...
                                      ...
  $ taxdelinquencyflag
                               : chr
## $ taxdelinquencyyear
                               : int
                                     NA NA NA NA NA NA NA NA NA ...
## $ censustractandblock
                               : num
                                     NA NA NA NA NA NA NA NA NA ...
```

### DATA TRANSFORMATION

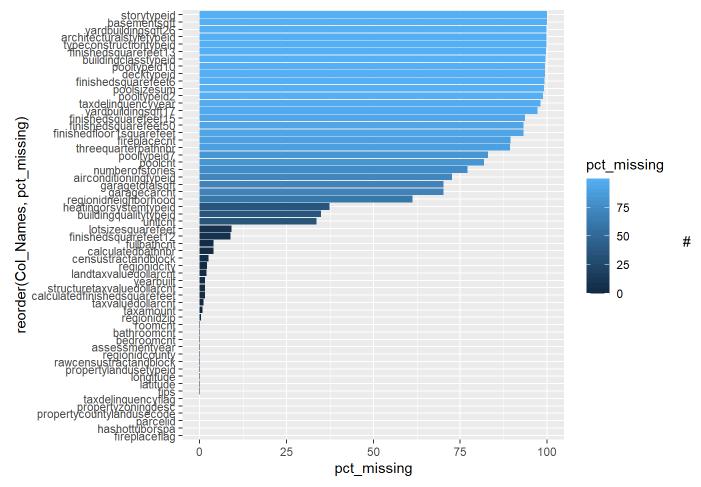
# Missing Data

```
prop_miss <- function(x){
    sum(is.na(x)) / length(x)*100
}

missing.bycol <- apply(properties_2017,2,prop_miss)
missing.byrow <- apply(properties_2017,1,prop_miss)

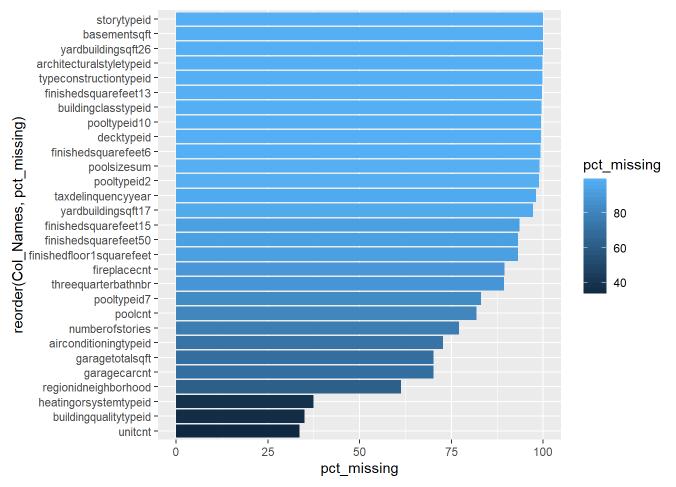
missdata.df <- as.data.frame(missing.bycol)
setDT(missdata.df, keep.rownames = TRUE)
names(missdata.df) <- c('Col_Names', 'pct_missing')

plt1<-ggplot(data = missdata.df , aes(x= reorder(Col_Names, pct_missing), y=pct_missing)) + geom
_bar(stat = "identity",aes(fill = pct_missing), position = position_stack(reverse= TRUE)) + coord_flip()
plt1</pre>
```



#### Columns with more than 20% missing value

```
missdata.df20 <- missdata.df %>% filter (pct_missing>=20)
plt2<-ggplot(data = missdata.df20 , aes(x= reorder(Col_Names, pct_missing), y=pct_missing)) + g
eom_bar(stat = "identity",aes(fill = pct_missing), position = position_stack(reverse= TRUE)) + c
oord_flip()
plt2</pre>
```



Using the 80% rule, missing values in more than 20% of samples may be removed from the dataset.

```
missing_prop <- sapply(properties_2017, function(x) sum(is.na(x))/length(x))
variables_to_remove <- names(missing_prop)[missing_prop > 1 - 0.8]
variables_to_remove
```

```
##
    [1] "airconditioningtypeid"
                                    "architecturalstyletypeid"
    [3] "basementsqft"
##
                                    "buildingclasstypeid"
    [5] "buildingqualitytypeid"
                                    "decktypeid"
##
##
    [7] "finishedfloor1squarefeet"
                                    "finishedsquarefeet13"
    [9] "finishedsquarefeet15"
                                    "finishedsquarefeet50"
##
   [11] "finishedsquarefeet6"
                                    "fireplacecnt"
##
## [13] "garagecarcnt"
                                    "garagetotalsqft"
## [15] "heatingorsystemtypeid"
                                    "poolcnt"
## [17] "poolsizesum"
                                    "pooltypeid10"
## [19] "pooltypeid2"
                                    "pooltypeid7"
## [21] "regionidneighborhood"
                                    "storytypeid"
## [23] "threequarterbathnbr"
                                    "typeconstructiontypeid"
## [25] "unitcnt"
                                    "yardbuildingsqft17"
## [27] "yardbuildingsqft26"
                                    "numberofstories"
## [29] "taxdelinquencyyear"
```

```
# The dataset afterwards
df_transformed <- properties_2017[, !colnames(properties_2017) %in% variables_to_remove]
dim(df_transformed)</pre>
```

```
## [1] 2985217 29
```

```
str(df_transformed)
```

```
## 'data.frame':
                  2985217 obs. of 29 variables:
## $ parcelid
                              : int 10754147 10759547 10843547 10859147 10879947 10898347 1
0933547 10940747 10954547 10976347 ...
## $ bathroomcnt
                              : num 0000000000...
## $ bedroomcnt
                              : num 0000000000...
## $ calculatedbathnbr
                              : num NA NA NA NA NA NA NA NA NA ...
## $ calculatedfinishedsquarefeet: num NA NA 73026 5068 1776 ...
## $ finishedsquarefeet12
                              : int NA NA NA NA NA NA NA NA NA ...
## $ fips
                              ## $ fullbathcnt
                              : int NA NA NA NA NA NA NA NA NA ...
## $ hashottuborspa
                              : chr
## $ latitude
                              : int 34144442 34140430 33989359 34148863 34194168 34171873 3
4131929 34171345 34218210 34289776 ...
## $ longitude
                              : int -118654084 -118625364 -118394633 -118437206 -118385816
-118380906 -118351474 -118314900 -118331311 -118432085 ...
## $ lotsizesquarefeet
                              : num 85768 4083 63085 7521 8512 ...
## $ propertycountylandusecode : chr "010D" "0109" "1200" "1200" ...
  $ propertylandusetypeid
                              : int 269 261 47 47 31 31 260 31 269 31 ...
   $ propertyzoningdesc
                              : chr "" "LCA11*" "LAC2" "LAC2" ...
## $ rawcensustractandblock
                              : num 60378002 60378001 60377030 60371412 60371232 ...
## $ regionidcity
                              : int 37688 37688 51617 12447 12447 12447 12447 396054 396054
47547 ...
## $ regionidcounty
                              : int 96337 96337 96095 96424 96450 96446 96049 96434 96436 9
## $ regionidzip
6366 ...
## $ roomcnt
                              : num 0000000000...
## $ yearbuilt
                              : num NA NA 1959 1948 1947 ...
## $ fireplaceflag
                              : chr
## $ structuretaxvaluedollarcnt : num NA NA 660680 580059 196751 ...
## $ taxvaluedollarcnt
                                    9 27516 1434941 1174475 440101 ...
                              : num
## $ assessmentyear
                              : int 2016 2015 2016 2016 2016 2016 2016 2016 2016 ...
## $ landtaxvaluedollarcnt
                              : num 9 27516 774261 594416 243350 ...
## $ taxamount
                                    NA NA 20800 14558 5725 ...
                              : num
                                    ...
## $ taxdelinguencyflag
                              : chr
## $ censustractandblock
                              : num NA NA NA NA NA NA NA NA NA ...
```

The dataset now has 29 variables, which I will use for the rest of my analysis.

#### DATA ANALYSIS

## Variables

```
#Subset of columns from original data set
col_index<-c(2:9)
working_set<-df_transformed[,col_index]
head(working_set)</pre>
```

ba	throoment b <dbl></dbl>	edroom <dbl></dbl>	calculatedbathnbr <dbl></dbl>	calculatedfinishedsquarefeet <dbl></dbl>	finisheds
1	0	0	NA	NA	
2	0	0	NA	NA	
3	0	0	NA	73026	
4	0	0	NA	5068	
5	0	0	NA	1776	
6	0	0	NA	2400	
6 row	s   1-7 of 9 col	umns			
1					•

# proportion of each level under each variable using the table and summary functions

# Bedroom Count: nummber of bedrooms in a home
table(working\_set\$bedroomcnt)

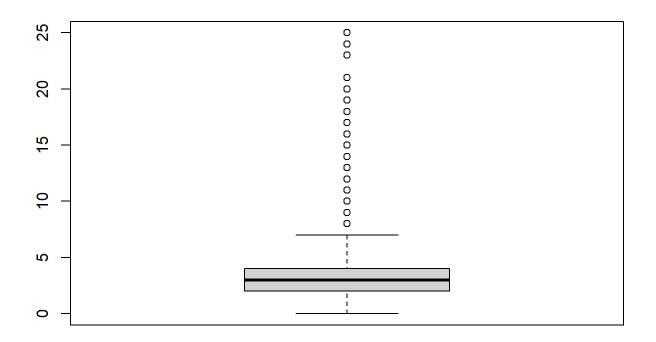
```
##
##
          0
                   1
                            2
                                     3
                                              4
                                                       5
                                                                         7
                                                                                   8
                                                                                            9
                                                                6
    118705
              86941
                      606782 1172757
                                        731475
                                                 182765
                                                            48915
                                                                     12763
                                                                              13542
                                                                                        4279
##
##
         10
                  11
                           12
                                    13
                                             14
                                                      15
                                                                        17
                                                                                  18
                                                                                           19
                                                               16
##
      1702
                 425
                          959
                                    86
                                             69
                                                      24
                                                               50
                                                                        11
                                                                                   9
                                                                                            1
##
         20
                  21
                           23
                                    24
                                             25
##
          8
                   1
                            1
                                     1
                                              1
```

##

summary(working\_set\$bedroomcnt)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 0.000 2.000 3.000 3.093 4.000 25.000 2945
```

boxplot(working\_set\$bedroomcnt)



# Bathroom count: Number of bathrooms in home
bathroomcnt<-table(working\_set\$bathroomcnt)
bathroomcnt</pre>

##										
##	0	0.5	1	1.5	1.75	2	2.5	3	3.5	4
##	113470	16	499332	45735	4	1219811	208809	633089	31835	133922
##	4.5	5	5.5	6	6.5	7	7.5	8	8.5	9
##	19864	38514	6275	16416	1352	6221	385	4548	113	1341
##	9.5	10	10.5	11	11.5	12	12.5	13	14	14.5
##	50	496	14	200	3	269	3	53	39	1
##	15	16	17	18	19	19.5	20	31	32	
##	21	25	8	12	3	1	8	1	1	

summary(working\_set\$bathroomcnt)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 0.000 2.000 2.000 2.216 3.000 32.000 2957
```

# Calculated Bathroom number: Number of bathrooms in home including fractional bathroom table(working\_set\$calculatedbathnbr)

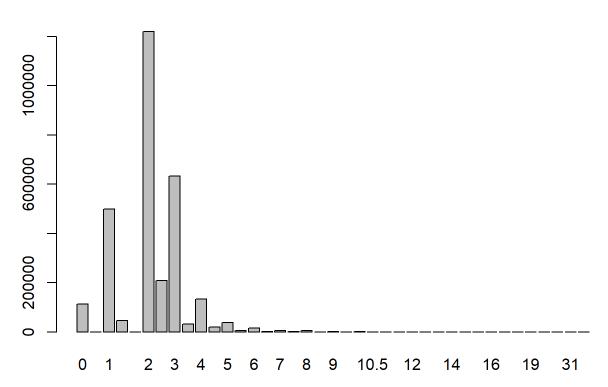
##										
##	1	1.5	2	2.5	3	3.5	4	4.5	5	5.5
##	499324	45427	1219799	208578	633088	31773	133922	19811	38514	6259
##	6	6.5	7	7.5	8	8.5	9	9.5	10	10.5
##	16416	1340	6221	382	4548	110	1341	50	496	14
##	11	11.5	12	12.5	13	14	14.5	15	16	17
##	200	3	269	3	53	39	1	21	25	8
##	18	19	19.5	20	31	32				
##	12	3	1	8	1	1				

summary(working\_set\$calculatedbathnbr)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 1.0 2.0 2.0 2.3 3.0 32.0 117156
```

barplot(bathroomcnt, main = "Bathroom Count")

#### **Bathroom Count**



# Full bath count: Number of full bathrooms (sink, shower + bathtub, and toilet) present in home
fullbath<-table(working\_set\$fullbathcnt)
fullbath</pre>

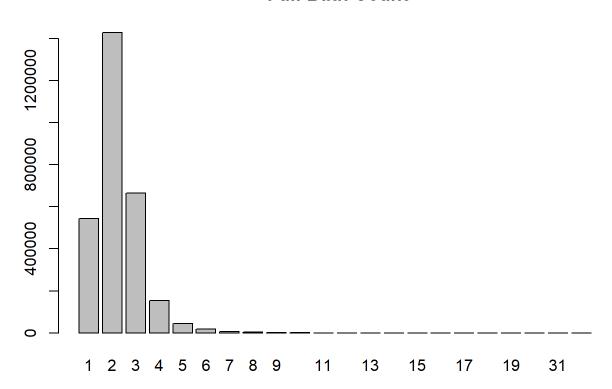
##										
##	1	2	3	4	5	6	7	8	9	10
##	544794	1428927	664914	153684	44721	17499	6468	4575	1347	495
##	11	12	13	14	15	16	17	18	19	20
##	197	268	54	39	20	25	8	12	4	8
##	31	32								
##	1	1								

summary(working\_set\$fullbathcnt)

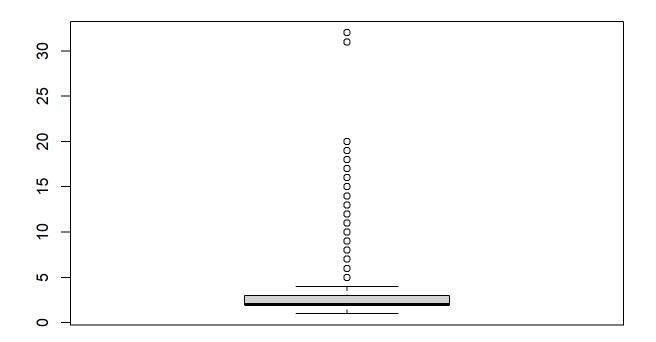
```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 1.00 2.00 2.00 2.25 3.00 32.00 117156
```

barplot(fullbath, main = " Full Bath Count")

#### **Full Bath Count**



boxplot(working\_set\$fullbathcnt)



# Hot Tub or Spa: whether or not a home has a hot tub or spa summary(working\_set\$hashottuborspa)

```
## Length Class Mode
## 2985217 character character
```

#Finished Square Feet: Finished total living room area of home
summary(working\_set\$finishedsquarefeet12)

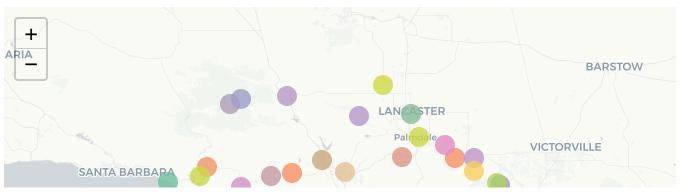
```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 1 1198 1542 1764 2075 427079 264431
```

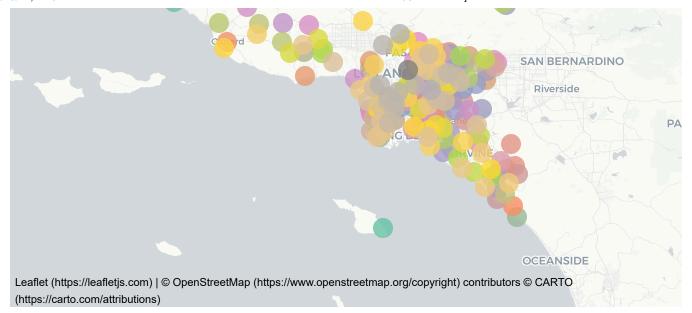
# Land properties\_2017

```
# Regionidcity
properties_2017 %>%
  count(regionidcity)
```

	regionidcity <int></int>	<b>n</b> <int></int>
	3491	1076
	3980	6
	4406	21331
	5465	13499
	5534	49123
	6021	14769
	6285	19
	6395	7772
	6822	781
	8384	16361
1-10 of 187 rows	Previous 1 2	3 4 5 6 19 Next

```
## Warning in RColorBrewer::brewer.pal(max(3, n), palette): n too large, allowed maximum for pal
ette Set2 is 8
## Returning the palette you asked for with that many colors
## Warning in RColorBrewer::brewer.pal(max(3, n), palette): n too large, allowed maximum for pal
ette Set2 is 8
## Returning the palette you asked for with that many colors
```





```
col_index<-c(10,11,16,23:29)
working_dataset2<-df_transformed[,col_index]</pre>
```

# Landtaxvaluedollarcnt: The assessed value of the land area of the parcel

summary(working\_dataset2\$landtaxvaluedollarcnt)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 1 79700 176619 268456 326100 94011079 59926
```

# Structuretaxvaluedollarcnt: The assessed value of the built structure on the parcel summary(working\_dataset2\$structuretaxvaluedollarcnt)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 1 77666 127066 178143 204000 255321161 46464
```

#Taxvaluedollarcnt: The total tax assessed value of the parcel
summary(working\_dataset2\$taxvaluedollarcnt)

```
## Min. 1st Qu. Median Mean 3rd Qu. Max. NA's
## 1 188220 321161 443528 514072 319622473 34266
```

```
## Warning: `qplot()` was deprecated in ggplot2 3.4.0.
## This warning is displayed once every 8 hours.
## Call `lifecycle::last_lifecycle_warnings()` to see where this warning was
## generated.
```

suppressWarnings(print(plt))

#### Distribution of Tax Amount

