



## PFA-HOUSING Project

Submitted by:

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## **ACKNOWLEDGMENT**

I would like to express my special thanks of gratitude to my SME of Flip ROBO as well as Data-Trained who gave me the golden opportunity to do this wonderful project on PFA Surprise Housing, which also helped me in doing a lot of Research and i came to know about so many new things and techniques while doing so.

Secondly i would also like to thank my parents and friends who helped me a lot in finalizing this project within the limited time frame.

I took a great deal of help from Wikipedia, Towards Data-Science, Kaggle and Stack-Overflow.

# INTRODUCTION

## Business Problem Framing

Houses are one of the necessary need of each and every person around the globe and therefore housing and real estate market is one of the markets which is one of the major contributors in the world's economy. It is a very large market and there are various companies working in the domain. Data science comes as a very important tool to solve problems in the domain to help the companies increase their overall revenue, profits, improving their marketing strategies and focusing on changing trends in house sales and purchases. Predictive modelling, Market mix modelling, recommendation systems are some of the machine learning techniques used for achieving the business goals for housing companies. Our problem is related to one such housing company. A US-based housing company named Surprise Housing has decided to enter the Australian market. The company uses data analytics to purchase houses at a price below their actual values and flip them at a higher price. For the same purpose, the company has collected a data set from the sale of houses in Australia. The data is provided in the CSV file below. The company is looking at prospective properties to buy houses to enter the market. You are required to build a model using Machine Learning in order to predict the actual value of the prospective properties and decide whether to invest in them or not.

For this company wants to know:

- Which variables are important to predict the price of variable?
- How do these variables describe the price of the house?

## Conceptual Background of the Domain Problem

The company wants to enter the Australian Market and hence are looking at prospective properties to buy. They want to understand what are the factors affecting the prices and how exactly those factors are influencing it. The company would then manipulate the strategy of the firm and concentrate on areas that will yield high return.

## Motivation for the Problem Undertaken

As I am a part of the Internship Process of RoboFlip Technologies, this project was given to me as the first assignment after getting accepted as a Data Science Intern in RoboFlip Technologies.

I took the project as a challenge for myself to see how I have improved and upgraded from the day I started learning with Data-Trained.

# Analytical Problem Framing

- Mathematical/ Analytical Modeling of the Problem

As from the Problem statement we can understand that this Dataset needs Regression for Model Building.

So what is Regression?

Regression in machine learning consists of mathematical methods that allow data scientists to predict a continuous outcome (y) based on the value of one or more predictor variables (x). Linear regression is probably the most popular form of regression analysis because of its ease-of-use in predicting and forecasting.

Few of the terminologies encountered in machine learning – classification:

- **Classifier:** An algorithm that maps the input data to a specific category.
- **Regression\_model:** A classification model tries to draw some conclusion from the input values given for training. It will predict the class labels/categories for the new data.
- **Feature:** A feature is an individual measurable property of a phenomenon being observed.

The following are the steps involved in building a Regression model:

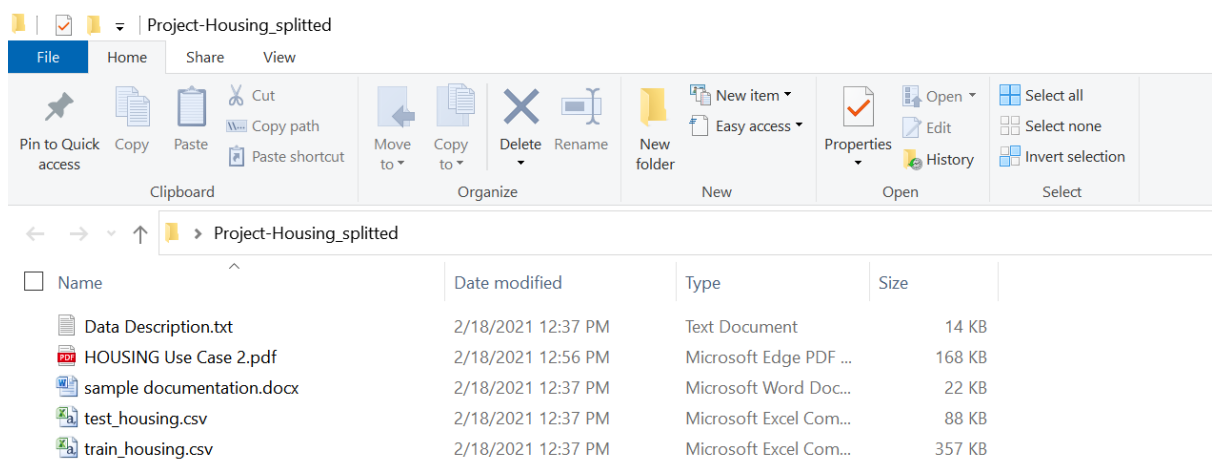
- **Initialize** the Regressor to be used.
- **Train the Regressor:** All classifiers in scikit-learn uses a `fit(X, y)` method to fit the model (training) for the given train data X and train label y.
- **Predict the target:** Given an unlabelled observation X, the `predict(X)` returns the predicted label y.
- **Evaluate** the Regressor model

So we have somewhat understand what Regression is and why we will be using this in Model building of our Dataset.

- **Data Sources and their formats**

The PFA Housing Project Dataset was sourced from RoboFlip Technologies as a part of their internship project.

- The Dataset is in a .csv (comma separated value).
- The general information about the dataset is given in a documentation format.
- Information about the dependent and independent variables are given in an Excel Format.



Above is the screenshot of Data Sources and their Formats.

- **Data Preprocessing Done**

This is the most crucial step of all in Building a Machine Learning Model.

So first, what is Data Pre-processing?

Data pre-processing is a data mining technique that involves transforming raw data into an understandable format. Real-world data is often incomplete, inconsistent, lacking in certain behaviours or trends, and is likely to contain many errors.

Data pre-processing is a proven method of resolving such issues. Data pre-processing prepares raw data for further processing.

Data pre-processing is used in database-driven applications such as customer relationship management and rule-based applications (like neural networks).

In Machine Learning (ML) processes, data pre-processing is critical to encode the dataset in a form that could be interpreted and parsed by the algorithm.

Data goes through a series of steps during pre-processing:

**Data Cleaning:** Data is cleansed through processes such as filling in missing values or deleting rows with missing data, smoothing the noisy data, or resolving the inconsistencies in the data.

Smoothing noisy data is particularly important for ML datasets, since machines cannot make use of data they cannot interpret. Data can be cleaned by dividing it into equal size segments that are thus smoothed (binning), by fitting it to a linear or multiple regression function (regression), or by grouping it into clusters of similar data (clustering).

Data inconsistencies can occur due to human errors (the information was stored in a wrong field). Duplicated values should be removed through deduplication to avoid giving that data object an advantage (bias).

**Data Integration:** Data with different representations are put together and conflicts within the data are resolved.

**Data Transformation:** Data is normalized and generalized. Normalization is a process that ensures that no data is redundant, it is all stored in a single place, and all the dependencies are logical.

**Data Reduction:** When the volume of data is huge, databases can become slower, costly to access, and challenging to properly store. Data reduction step aims to present a reduced representation of the data in a data warehouse.

There are various methods to reduce data. For example, once a subset of relevant attributes is chosen for its significance, anything below a given

level is discarded. Encoding mechanisms can be used to reduce the size of data as well. If all original data can be recovered after compression, the operation is labelled as lossless.

If some data is lost, then it's called a lossy reduction. Aggregation can also be used, for example, to condense countless transactions into a single weekly or monthly value, significantly reducing the number of data objects.

**Data Discretization:** Data could also be discretized to replace raw values with interval levels. This step involves the reduction of a number of values of a continuous attribute by dividing the range of attribute intervals.

**Data Sampling:** Sometimes, due to time, storage or memory constraints, a dataset is too big or too complex to be worked with. Sampling techniques can be used to select and work with just a subset of the dataset, provided that it has approximately the same properties of the original one.

```

In [5]: df['YearBuilt_Old'] = df.YearBuilt.max()-df.YearBuilt
df['YearRemodAdd_Old'] = df.YearRemodAdd.max()-df.YearRemodAdd
df['GarageYrBlt_Old'] = df.GarageYrBlt.max()-df.GarageYrBlt
df['YrSold_Old'] = df.YrSold.max()-df.YrSold
df[['YearBuilt', 'YearRemodAdd', 'GarageYrBlt', 'YrSold', 'YearBuilt_Old', 'YearRemodAdd_Old',
    'GarageYrBlt_Old', 'YrSold_Old']].sample(10)

```

	YearBuilt	YearRemodAdd	GarageYrBlt	YrSold	YearBuilt_Old	YearRemodAdd_Old	GarageYrBlt_Old	YrSold_Old
673	1964	1978	1964.0	2007	46	32	46.0	3
733	2005	2005	2005.0	2008	5	5	5.0	2
845	1950	1950	1950.0	2009	60	60	60.0	1
605	1988	1989	1988.0	2008	22	21	22.0	2
158	1972	1972	1980.0	2008	38	38	30.0	2
525	1998	1998	1998.0	2006	12	12	12.0	4
960	1972	2003	1974.0	2009	38	7	36.0	1
996	2004	2005	2004.0	2009	6	5	6.0	1
1064	2005	2006	2005.0	2006	5	4	5.0	4
971	1963	1963	1963.0	2010	47	47	47.0	0

## Checking the missing values

Missing values in the dataset can be checked by below python code:-

```

missing_values=[x for x in df.columns if df[x].isnull().sum()>1]

print('Number of missing variable columns:', len(missing_values))

print("Missing values in the dataset : \n ", missing_values)

print("-"*125)

df[missing_values].head()

```



## Checking the percentage of the missing values

Missing value can be checked using the following code:-

for feature in missing\_values:

```
print(feature, np.round(df[feature].isnull().mean()*100,4), "% Missing Values")
```

Extracting all the numerical feature:

```
numerical_features=[x for x in df.columns if df[x].dtypes != "O"]
```

```
print("The number of the numerical columns in the dataset:", len(numerical_features))
```

```
print("Numerical columns in the dataset:\n", numerical_features)
```

```
print("-"*125)
```

```
df[numerical_features].head()
```

Extract the year column from the dataset:

```
year_feature=[x for x in df.columns if 'Yr' in x or 'Year' in x]
```

```
print("The number of Year column in the dataset :",len(year_feature))
```

```
print("Year columns in the dataset :\n",year_feature)
```

```
print("-"*125)
```

```
df[year_feature].head()
```

Checking the unique items in date time columns:

checking the unique items in the datetime columns

for feature in year\_feature:

```
print("The unique items in the columnn", feature, ":\n", df[feature].unique())
```

So now we have established what is Data pre-processing, I will let know all the steps I took to clean the Data before proceeding:

- Firstly I checked for Null Values, there were so we have to treat them later.
- Secondly I checked for any Nan values in the dataset which I found, so I filled all the Nan values with zero rather than removing it.
- Thirdly I found outliers and skewness in the Dataset which I dealt with by using median of the columns and replacing it with respective medians.
- I also found some '-' sign in the dataset. Which I removed with the help of replace statement.

```
#To check the outliers we are using the box plot.  
  
for feature in continous_feature:  
    data=df.copy()  
    if 0 in data[feature].unique():  
        pass  
    else:  
        data[feature]=np.log(data[feature])  
        data.boxplot(feature)  
        plt.ylabel(feature)  
        plt.title(feature)  
        plt.show()
```

- Data Inputs- Logic- Output Relationships

Loading The Dataset

```
#Loading and reading the data
df= pd.read_csv("train_housing.csv")
```

Data Assesing

```
#Checking the Data dimesion
df.shape
```

```
[3]: (1168, 81)
```

```
df.columns
```

```
[4]: Index(['Id', 'MSSubClass', 'MSZoning', 'LotFrontage', 'LotArea', 'Street',
        'Alley', 'LotShape', 'LandContour', 'Utilities', 'LotConfig',
        'LandSlope', 'Neighborhood', 'Condition1', 'Condition2', 'BldgType',
        'HouseStyle', 'OverallQual', 'OverallCond', 'YearBuilt', 'YearRemodAdd',
        'RoofStyle', 'RoofMatl', 'Exterior1st', 'Exterior2nd', 'MasVnrType',
        'MasVnrArea', 'ExterQual', 'ExterCond', 'Foundation', 'BsmtQual',
        'BsmtCond', 'BsmtExposure', 'BsmtFinType1', 'BsmtFinSF1',
        'BsmtFinType2', 'BsmtFinSF2', 'BsmtUnfSF', 'TotalBsmtSF', 'Heating',
        'HeatingQC', 'CentralAir', 'Electrical', '1stFlrSF', '2ndFlrSF',
        'LowQualFinSF', 'GrLivArea', 'BsmtFullBath', 'BsmtHalfBath', 'FullBath',
        'HalfBath', 'BedroomAbvGr', 'KitchenAbvGr', 'KitchenQual',
        'TotRmsAbvGrd', 'Functional', 'Fireplaces', 'FireplaceQu', 'GarageType',
        'GarageYrBlt', 'GarageFinish', 'GarageCars', 'GarageArea', 'GarageQual',
        'GarageCond', 'PavedDrive', 'WoodDeckSF', 'OpenPorchSF',
        'EnclosedPorch', '3SsnPorch', 'ScreenPorch', 'PoolArea', 'PoolQC',
        'Fence', 'MiscFeature', 'MiscVal', 'MoSold', 'YrSold', 'SaleType',
        'SaleCondition', 'SalePrice'],
        dtype='object')
```

From the above snapshot we can see how we load the data and get to know its dimensions.

```
df.head()
```

```
5]:
```

	Id	MSSubClass	MSZoning	LotFrontage	LotArea	Street	Alley	LotShape	LandContour	Utilities	...	PoolArea	PoolQC	Fence	MiscFeature	MiscVal
0	127	120	RL	NaN	4928	Pave	NaN	IR1	Lvl	AllPub	...	0	NaN	NaN	NaN	C
1	889	20	RL	95.0	15865	Pave	NaN	IR1	Lvl	AllPub	...	0	NaN	NaN	NaN	C
2	793	60	RL	92.0	9920	Pave	NaN	IR1	Lvl	AllPub	...	0	NaN	NaN	NaN	C
3	110	20	RL	105.0	11751	Pave	NaN	IR1	Lvl	AllPub	...	0	NaN	MnPrv	NaN	C
4	422	20	RL	NaN	16635	Pave	NaN	IR1	Lvl	AllPub	...	0	NaN	NaN	NaN	C

5 rows × 81 columns

```
#Lets get a general idea about the dataset
df.describe()
```

```
5]:
```

	Id	MSSubClass	LotFrontage	LotArea	OverallQual	OverallCond	YearBuilt	YearRemodAdd	MasVnrArea	BsmtFinSF1	...	Wood
count	1168.000000	1168.000000	954.000000	1168.000000	1168.000000	1168.000000	1168.000000	1168.000000	1161.000000	1168.000000	...	1168
mean	724.136130	56.767979	70.98847	10484.749144	6.104452	5.595890	1970.930651	1984.758562	102.310078	444.726027	...	96
std	416.159877	41.940650	24.82875	8957.442311	1.390153	1.124343	30.145255	20.785185	182.595606	462.664785	...	126
min	1.000000	20.000000	21.00000	1300.000000	1.000000	1.000000	1875.000000	1950.000000	0.000000	0.000000	...	C
25%	360.500000	20.000000	60.00000	7621.500000	5.000000	5.000000	1954.000000	1966.000000	0.000000	0.000000	...	C
50%	714.500000	50.000000	70.00000	9522.500000	6.000000	5.000000	1972.000000	1993.000000	0.000000	385.500000	...	C
75%	1079.500000	70.000000	80.00000	11515.500000	7.000000	6.000000	2000.000000	2004.000000	160.000000	714.500000	...	171
max	1460.000000	190.000000	313.00000	164660.000000	10.000000	9.000000	2010.000000	2010.000000	1600.000000	5644.000000	...	857

8 rows × 38 columns

So from both the tables above we can conclude that:

- There are no null values in the dataset that we have to deal with.
- There also seems to be outliers for some of the features.
- And some kind of skewness can also be seen from the description which we will see it more clearly later on.

- State the set of assumptions (if any) related to the problem under consideration

As from the Problem statement which states that we have to build a model which will predict the average price. Since the target variable is continuous we can readily presume that it is a Regression Problem for which we will be using Regression algorithms to build our model from the dataset given.

Secondly as we know Data is very expensive I tried those methods for Data cleaning which doesn't require removal of bulk of Data.

Like for example I did not use IQR method for Outliers as it would have erased huge amounts of Data. Instead I used Median method for Outlier treatment.

Lastly I will be using RandomSearch CV for hyper parameter tuning as it uses least amount of memory and processing power to run the algorithms as compared to that of GridSearch CV.

- **Hardware and Software Requirements and Tools Used**

Hardware Tools Used:

- Hp Pavilion Laptop with 8GB of RAM.
- Inbuilt GPU NVidia GEFORCE.
- Intel Core I3 7<sup>th</sup> Generation
- 256 GB SSD & 1TB HDD.

Software Tools Used:

- Anaconda for calling JN.
- Jupyter Notebook for Code handling and Visualization.
- Python Shell for installing some libraries.
- Excel for calling .CSV(comma separated values)
- Microsoft Word for documentation.
- Word to pdf Converter Online.(WBA)
- Microsoft Power Point Presentation.

## **Model/s Development and Evaluation**

Identification of possible problem-solving approaches (methods)

So below are the few things that I faced during the project:

- There are null values in the dataset.
- For some features, there may be values which might not be realistic.
- I also came across outliers in some features.

- Testing of Identified Approaches (Algorithms)

So as we know it is a Regression problem we will use classification algorithms to train our Dataset. Following are some regression Algorithms:

- Simple Linear Regression model
- Lasso Regression
- Logistic regression
- Support Vector Machines
- Multivariate Regression algorithm & Ridge Regression

Let's understand the main two regression algorithms briefly:

**LASSO** - Lasso regression is a regularization technique. It is used over regression methods for a more accurate prediction. This model uses shrinkage. Shrinkage is where data values are shrunk towards a central point as the mean. The lasso procedure encourages simple, sparse models (i.e. models with fewer parameters). This particular type of regression is well-suited for models showing high levels of multicollinearity or when you want to automate certain parts of model selection, like variable selection/parameter elimination.

Lasso Regression uses L1 regularization technique (will be discussed later in this article). It is used when we have more number of features because it automatically performs feature selection.

**RIDGE** - Ridge regression is a model tuning method that is used to analyse any data that suffers from multicollinearity. This method performs L2 regularization. When the issue of multicollinearity occurs, least-squares are unbiased, and variances are large, this results in predicted values to be far away from the actual values.

The cost functions for ridge regression:

$$\text{Min } (\|Y - X(\theta)\|^2 + \lambda \|\theta\|^2)$$

Lambda is the penalty term.  $\lambda$  given here is denoted by an alpha parameter in the ridge function. So, by changing the values of alpha, we are controlling the

penalty term. Higher the values of alpha, bigger are the penalty and therefore the magnitude of coefficients is reduced.

- It shrinks the parameters. Therefore, it is used to prevent multicollinearity
- It reduces the model complexity by coefficient shrinkage

## Run and Evaluate selected models

So for the project PFA Housing, I will be using these following algorithms which I choose by keeping in mind the time taken to iterate and what is better for this Dataset:

- So the first Model which I am going to use is Lasso Regression.

### Lets try first with the Lasso regression model

```
: lm = Lasso(alpha=0.001)
lm.fit(X_train,y_train)

y_train_pred = lm.predict(X_train)
print(r2_score(y_true=y_train,y_pred=y_train_pred))

y_test_pred = lm.predict(X_test)
print(r2_score(y_true=y_test,y_pred=y_test_pred))
```

```
0.9022070628442351
0.8575605370873767
```

So the second Model which I am going to use is Ridge Regressor.

## Now lets use the ridge regression

```
: ridge = Ridge(alpha=0.001)
ridge.fit(X_train,y_train)

y_train_pred = ridge.predict(X_train)
print(r2_score(y_train,y_train_pred))
y_test_pred = ridge.predict(X_test)
print(r2_score(y_test,y_test_pred))
```

```
0.9078417854243198
0.8431546903792685
```

## USING GRIDSEARCH CV FOR HYPER-PARAMETER TUNING:

### First for Ridge –

Now lets try to improve our model with the optimal value of alpha using GridSearchCV

```
: folds = KFold(n_splits=10,shuffle=True,random_state=42)

hyper_param = {'alpha':[0.001,0.01,0.1,0.2,0.5,0.9,1.0, 5.0, 10.0,20.0]}

model = Ridge()

model_cv = GridSearchCV(estimator=model,
                        param_grid=hyper_param,
                        scoring='r2',
                        cv=folds,
                        verbose=1,
                        return_train_score=True)

model_cv.fit(X_train,y_train)

Fitting 10 folds for each of 10 candidates, totalling 100 fits
[Parallel(n_jobs=1)]: Using backend SequentialBackend with 1 concurrent workers.
[Parallel(n_jobs=1)]: Done 100 out of 100 | elapsed: 0.8s finished
: GridSearchCV(cv=KFold(n_splits=10, random_state=42, shuffle=True),
              error_score='raise-deprecating',
              estimator=Ridge(alpha=1.0, copy_X=True, fit_intercept=True, max_iter=None,
                             normalize=False, random_state=None, solver='auto', tol=0.001),
              fit_params=None, iid='warn', n_jobs=None,
              param_grid={'alpha': [0.001, 0.01, 0.1, 0.2, 0.5, 0.9, 1.0, 5.0, 10.0, 20.0]},
              pre_dispatch='2*n_jobs', refit=True, return_train_score=True,
              scoring='r2', verbose=1)
```

### Now let's check for Lasso –

Now lets try to improve our model with the optimal value of alpha using GridSearchCV

```
[42]: folds = KFold(n_splits=10,shuffle=True,random_state=42)

hyper_param = {'alpha':[0.001, 0.01, 0.1,1.0, 5.0, 10.0,20.0]}

model = Lasso()

model_cv = GridSearchCV(estimator = model,
                        param_grid=hyper_param,
                        scoring='r2',
                        cv=folds,
                        verbose=1,
                        return_train_score=True)

model_cv.fit(X_train,y_train)

Fitting 10 folds for each of 7 candidates, totalling 70 fits
[Parallel(n_jobs=1)]: Using backend SequentialBackend with 1 concurrent workers.
[Parallel(n_jobs=1)]: Done 70 out of 70 | elapsed: 1.2s finished
[42]: GridSearchCV(cv=KFold(n_splits=10, random_state=42, shuffle=True),
                  error_score='raise-deprecating',
                  estimator=Lasso(alpha=1.0, copy_X=True, fit_intercept=True, max_iter=1000,
                                 normalize=False, positive=False, precompute=False, random_state=None,
                                 selection='cyclic', tol=0.0001, warm_start=False),
                  fit_params=None, iid='warn', n_jobs=None,
                  param_grid={'alpha': [0.001, 0.01, 0.1, 1.0, 5.0, 10.0, 20.0]},
                  pre_dispatch='2*n_jobs', refit=True, return_train_score=True,
                  scoring='r2', verbose=1)
```



## Visualizations (EDA) & Interpretation of Results:

We will be using Libraries such as Seaborn, matplotlib, plotly. At first we will be importing the libraries so that we can use visualizations for our Dataset.

```
import numpy as np
import pandas as pd
import matplotlib.pyplot as plt
import seaborn as sns
import plotly
import sklearn

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

So we have called the Libraries, now let us use these libraries to visualize and do our EDA to understand the data better as well as to find outliers and skewness in the Data.

Visualization to find outliers in the Dataset:

```
#Plotting boxplot to check the outliers in the dataset
df.plot(kind='box',subplots=True,figsize=(15,10))
```

2]:

Id	AxesSubplot(0.125,0.125;0.0170705x0.755)
MSSubClass	AxesSubplot(0.145485,0.125;0.0170705x0.755)
LotFrontage	AxesSubplot(0.165969,0.125;0.0170705x0.755)
LotArea	AxesSubplot(0.186454,0.125;0.0170705x0.755)
OverallQual	AxesSubplot(0.206938,0.125;0.0170705x0.755)
OverallCond	AxesSubplot(0.227423,0.125;0.0170705x0.755)
YearBuilt	AxesSubplot(0.247907,0.125;0.0170705x0.755)
YearRemodAdd	AxesSubplot(0.268392,0.125;0.0170705x0.755)
MasVnrArea	AxesSubplot(0.288877,0.125;0.0170705x0.755)
BsmtFinSF1	AxesSubplot(0.309361,0.125;0.0170705x0.755)
BsmtFinSF2	AxesSubplot(0.329846,0.125;0.0170705x0.755)
BsmtUnfSF	AxesSubplot(0.35033,0.125;0.0170705x0.755)
TotalBsmtSF	AxesSubplot(0.370815,0.125;0.0170705x0.755)
1stFlrSF	AxesSubplot(0.3913,0.125;0.0170705x0.755)
2ndFlrSF	AxesSubplot(0.411784,0.125;0.0170705x0.755)
LowQualFinSF	AxesSubplot(0.432269,0.125;0.0170705x0.755)
GrLivArea	AxesSubplot(0.452753,0.125;0.0170705x0.755)
BsmtFullBath	AxesSubplot(0.473238,0.125;0.0170705x0.755)
BsmtHalfBath	AxesSubplot(0.493722,0.125;0.0170705x0.755)
FullBath	AxesSubplot(0.514207,0.125;0.0170705x0.755)
HalfBath	AxesSubplot(0.534692,0.125;0.0170705x0.755)
BedroomAbvGr	AxesSubplot(0.555176,0.125;0.0170705x0.755)
KitchenAbvGr	AxesSubplot(0.575661,0.125;0.0170705x0.755)
TotRmsAbvGrd	AxesSubplot(0.596145,0.125;0.0170705x0.755)
Fireplaces	AxesSubplot(0.61663,0.125;0.0170705x0.755)
GarageYrBlt	AxesSubplot(0.637115,0.125;0.0170705x0.755)
GarageCars	AxesSubplot(0.657599,0.125;0.0170705x0.755)
GarageArea	AxesSubplot(0.678084,0.125;0.0170705x0.755)
WoodDeckSF	AxesSubplot(0.698568,0.125;0.0170705x0.755)
OpenPorchSF	AxesSubplot(0.719053,0.125;0.0170705x0.755)
EnclosedPorch	AxesSubplot(0.739537,0.125;0.0170705x0.755)
3SsnPorch	AxesSubplot(0.760022,0.125;0.0170705x0.755)
ScreenPorch	AxesSubplot(0.780507,0.125;0.0170705x0.755)

So we can see a lot of outliers in most of the variables, which we will deal later by using median method to replace the outliers.

Visualisation for some Independent Variables along with their skewness:

```
#checking the skewness
df.skew()
```

```
10]: Id                0.026526
     MSSubClass         1.422019
     LotFrontage        2.450241
     LotArea            10.659285
     OverallQual         0.175082
     OverallCond         0.580714
     YearBuilt          -0.579204
     YearRemodAdd       -0.495864
     MasVnrArea          2.826173
     BsmtFinSF1          1.871606
     BsmtFinSF2          4.365829
     BsmtUnfSF           0.909057
     TotalBsmtSF         1.744591
     1stFlrSF            1.513707
     2ndFlrSF            0.823479
     LowQualFinSF        8.666142
     GrLivArea           1.449952
     BsmtFullBath        0.627106
     BsmtHalfBath        4.264403
     FullBath             0.057809
     HalfBath            0.656492
     BedroomAbvGr        0.243855
     KitchenAbvGr        4.365259
     TotRmsAbvGrd        0.644657
     Fireplaces          0.671966
     GarageYrBlt         -0.644564
     GarageCars          -0.358556
     GarageArea           0.189665
     WoodDeckSF          1.504929
     OpenPorchSF         2.410840
     EnclosedPorch       3.043610
     3SsnPorch           9.770611
     ScreenPorch         4.105741
     PoolArea            13.243711
     MiscVal             23.065943
     MoSold              0.220979
     YrSold              0.115765
     SalePrice           1.953878
```

So from the above we can see that many of the variables are rightly skewed which we will fix when we are treating outliers.

- Key Findings of the Study

My Key Findings:

After comparing both models we can see that the below are the best features of the Dataset

MiscVal: \$Value of miscellaneous feature

BsmtHalfBath: Basement half bathrooms

LowQualFinSF: Low quality finished square feet (all floors)

BsmtFullBath: Basement full bathrooms

HalfBath: Half baths above grade

Best alpha value for Lasso: {'alpha': 0.001}

Best alpha value for Ridge: {'alpha': 0.9}

- **Learning Outcomes of the Study in respect of Data Science**

The amount and complexity of information produced in science, engineering, business, and everyday human activity is increasing at staggering rates. Good visualizations not only present a visual interpretation of data, but do so by improving comprehension, communication, and decision making. The importance of visualization is a topic taught to almost every data scientist in an entry-level course at university but is mastered by very few individuals. It is often regarded as obvious or unimportant due to its inherently subjective nature. In this article, I hope to dispel some of those thoughts and show you that visualization is incredibly important, not just in the field of data science, but for communicating any form of information.

Visualisation through Seaborn and many other libraries helped me in gaining insight of the Dataset.

- It also helped me in gaining insight of outliers through boxplot method.
- It helped me in finding skewness of a particular variable with the help of seaborn.
- Univariate Analysis of the target variable showed us that it is a highly imbalanced Dataset.
- Multivariate Analysis showed us the relation between all the variables with each other.

## **Limitations of this work and Scope for Future Work**

What are the limitations of this solution provided the future scope?

The most important task for contractor of a property is to find the right price for their property. An accurate prediction can help in balancing risk for the contractor.

- There are some limitations of the solutions provided by me as I do not have access to powerful laptops, for that I have to use algorithms which consumes less power and memory.

The Future scope for this is infinite; the manual method which is currently used in the market is out dated and has high risk. So as to overcome this fault, there is a need for an updated and automated system. Data mining algorithms can be used to help investors to invest in an appropriate estate according to their mentioned requirements. Also the new system will be cost and time efficient. This will have simple operations.

## Conclusions

In today's real estate world, it has become tough to store such huge data and extract them for one's own requirement. Also, the extracted data should be useful. The system makes optimal use of these advanced regression Algorithms. The system makes use of such data in the most efficient way. The algorithm helps to fulfil customers by increasing the accuracy of estate choice and reducing the risk of investing in an estate. A lot's of features that could be added to make the system more widely acceptable. One of the major future scopes is adding estate database of more cities which will provide the user to explore more estates and reach an accurate decision. More factors like recession that affect the house prices shall be added. In-depth details of every property will be added to provide ample details of a desired estate. This will help the system to run on a larger level.