Finance-Proj

October 19, 2025

- 1 Predicting property sale prices in France: a study based on the DVF dataset
- 1.1 Exploratory notebook
- 1.2 Necessary libraires import

```
[39]: import numpy as np
      import pandas as pd
      import seaborn as sns
      import matplotlib.pyplot as plt
      import plotly.express as px
      import plotly.graph_objects as go
      import missingno as msno
      import cartopy.crs as ccrs
      import cartopy.feature as cfeature
      import geopandas as gpd
      import imageio.v2 as iio
      import matplotlib.dates as mdates
      import plotly.io as pio
      pio.renderers.default = "notebook"
      import warnings
      warnings.filterwarnings("ignore", category=FutureWarning)
      warnings.filterwarnings("ignore", category=UserWarning)
```

1.2.1 Load DVF Dataset

```
[9]: data_path = 'dvf.csv'

df_dvf = pd.read_csv(data_path, low_memory=False)

# df_dvf.head(20)
```

1.2.2 Inspect Dataset properties

Thanks to the **info** and **describe** methods, it is possible to quickly view the data contained in our dataset (entire CSV equivalent to 3GB). - The first method allows us to access the column names

and their associated value types. - The second method allows us to view the orders of magnitude of the different columns.

[3]: df_dvf.info() df_dvf.describe()

<class 'pandas.core.frame.DataFrame'>

RangeIndex: 20133668 entries, 0 to 20133667

Data columns (total 40 columns):

Dava	columns (columns).	
#	Column	Dtype
0	id_mutation	object
1	date_mutation	object
2	numero_disposition	int64
3	nature_mutation	object
4	valeur_fonciere	float64
5	adresse_numero	float64
6	adresse_suffixe	object
7	adresse_nom_voie	object
8	adresse_code_voie	object
9	code_postal	float64
10	code_commune	object
11	nom_commune	object
12	code_departement	object
13	ancien_code_commune	float64
14	ancien_nom_commune	object
15	id_parcelle	object
16	ancien_id_parcelle	object
17	numero_volume	object
18	lot1_numero	object
19	lot1_surface_carrez	float64
20	lot2_numero	object
21	lot2_surface_carrez	float64
22	lot3_numero	object
23	lot3_surface_carrez	float64
24	lot4_numero	object
25	lot4_surface_carrez	float64
26	lot5_numero	object
27	lot5_surface_carrez	float64
28	nombre_lots	int64
29	code_type_local	float64
30	type_local	object
31	surface_reelle_bati	float64
32	nombre_pieces_principales	float64
33	code_nature_culture	object
34	nature_culture	object
35	code_nature_culture_speciale	object
36	nature_culture_speciale	object

```
38
         longitude
                                         float64
     39
         latitude
                                         float64
    dtypes: float64(15), int64(2), object(23)
    memory usage: 6.0+ GB
[3]:
            numero disposition
                                 valeur fonciere
                                                   adresse numero
                                                                     code postal
     count
                  2.013367e+07
                                     1.993772e+07
                                                      1.260362e+07
                                                                    1.998002e+07
                   1.234985e+00
                                     1.529514e+06
                                                      7.150326e+02
                                                                    5.000524e+04
     mean
     std
                  7.899619e+00
                                     1.684699e+07
                                                      2.017854e+03
                                                                    2.739363e+04
                   1.000000e+00
                                     1.000000e-02
                                                      1.000000e+00
                                                                    1.000000e+03
     min
     25%
                   1.000000e+00
                                     6.900000e+04
                                                      8.000000e+00
                                                                    2.823000e+04
     50%
                   1.000000e+00
                                     1.650000e+05
                                                      2.500000e+01
                                                                    4.914000e+04
     75%
                   1.000000e+00
                                     3.030000e+05
                                                      1.000000e+02
                                                                    7.500700e+04
                   1.246000e+03
                                     1.415000e+10
                                                      9.999000e+03
                                                                    9.749000e+04
     max
            ancien_code_commune
                                  lot1_surface_carrez
                                                        lot2_surface_carrez
                      408.000000
                                          1.761506e+06
                                                               557955.000000
     count
     mean
                    20094.698529
                                          6.735296e+01
                                                                   64.035822
                    18521.130057
     std
                                          2.082315e+02
                                                                   71.815365
     min
                    14666.000000
                                          1.000000e-02
                                                                    0.010000
     25%
                    14666.000000
                                          3.572000e+01
                                                                   43.820000
     50%
                    14666.000000
                                          5.510000e+01
                                                                   61.570000
     75%
                    15031.000000
                                          7.410000e+01
                                                                   76.620000
                    85212.000000
                                          9.614000e+03
                                                                 8705.000000
     max
            lot3_surface_carrez
                                  lot4_surface_carrez
                                                        lot5_surface_carrez
                    61941.000000
                                                                 5271.000000
                                          14984.000000
     count
                       71.970848
                                             84.467058
     mean
                                                                   96.111413
     std
                       98.255307
                                            142.936682
                                                                  196.619148
     min
                        0.200000
                                              0.340000
                                                                    0.400000
     25%
                       41.680000
                                             39.617500
                                                                   35.635000
     50%
                                             67.360000
                       62.080000
                                                                   70.080000
     75%
                       85.050000
                                            100.370000
                                                                  114.100000
                     6947.850000
     max
                                           6947.850000
                                                                 6947.850000
             nombre lots
                           code type local
                                             surface reelle bati
            2.013367e+07
     count
                              1.183813e+07
                                                    6.983283e+06
            4.320833e-01
                              2.226831e+00
                                                    1.153680e+02
     mean
     std
            8.386084e-01
                              9.308073e-01
                                                    8.281463e+02
                              1.000000e+00
            0.00000e+00
                                                    1.000000e+00
     min
     25%
            0.000000e+00
                              1.000000e+00
                                                    5.000000e+01
     50%
            0.000000e+00
                              2.000000e+00
                                                    7.500000e+01
     75%
                              3.000000e+00
                                                    1.050000e+02
            1.000000e+00
            2.360000e+02
     max
                              4.000000e+00
                                                    5.934000e+05
```

float64

37

surface_terrain

longitude

latitude

nombre_pieces_principales surface_terrain

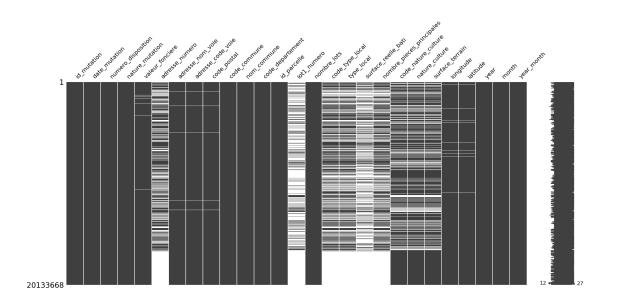
```
1.182539e+07
                                     1.372763e+07 1.972417e+07 1.972417e+07
count
                    1.863278e+00
                                     2.863297e+03 2.354309e+00 4.610026e+01
mean
std
                    2.091897e+00
                                     1.409837e+04 6.379150e+00 5.921900e+00
                    0.000000e+00
                                     1.000000e+00 -6.315108e+01 -2.138654e+01
min
25%
                    0.000000e+00
                                     2.460000e+02 3.268020e-01 4.466372e+01
50%
                    1.000000e+00
                                     6.220000e+02 2.365491e+00 4.672001e+01
75%
                    4.000000e+00
                                     1.782000e+03 4.643447e+00 4.866416e+01
                    1.980000e+02
                                     1.072309e+07 5.583079e+01 5.108645e+01
max
```

[4]: print(df_dvf.columns)

1.2.3 Missing values overview

Thanks to the **missingno** library, it is possible to quickly view the null values contained in the columns as well as their total number. This allows us to easily identify whether it will be possible to delete columns or whether it will be necessary to evaluate this missing data.

```
[76]: msno.matrix(df_dvf)
plt.show()
```



[6]: df_dvf.isnull().sum() / len(df_dvf) * 100

Γe1.	: a	0 000000
[0]:	id_mutation	0.000000
	date_mutation	0.000000
	numero_disposition	0.000000
	nature_mutation	0.000000
	valeur_fonciere	0.973255
	adresse_numero	37.400254
	adresse_suffixe	95.517046
	adresse_nom_voie	0.761684
	adresse_code_voie	0.757830
	code_postal	0.763164
	code_commune	0.000000
	nom_commune	0.000000
	code_departement	0.000000
	ancien_code_commune	99.997974
	ancien_nom_commune	99.997974
	id_parcelle	0.000000
	ancien_id_parcelle	99.999930
	numero_volume	99.770166
	lot1_numero	68.647536
	lot1_surface_carrez	91.250943
	lot2_numero	91.009393
	lot2_surface_carrez	97.228746
	lot3_numero	98.398518
	lot3_surface_carrez	99.692351
	lot4 numero	99.486571
	lot4_surface_carrez	99.925577
	lot5_numero	99.779335
	1000_Hamo10	55.115500

```
lot5_surface_carrez
                                     99.973820
    nombre_lots
                                      0.000000
     code_type_local
                                     41.202304
     type_local
                                     41.202304
    surface_reelle_bati
                                     65.315396
    nombre_pieces_principales
                                     41.265610
    code_nature_culture
                                     31.814173
    nature_culture
                                     31.814173
     code_nature_culture_speciale
                                     95.707702
    nature_culture_speciale
                                     95.707702
     surface terrain
                                     31.817556
    longitude
                                      2.033917
     latitude
                                      2.033917
     dtype: float64
[7]: missing_percent = (df_dvf.isnull().sum() / len(df_dvf) * 100).
     ⇔sort_values(ascending=False)
     # Take only the 15 columns with more missing values
     top_missing = missing_percent.head(20)
     # Barplot
```

top_missing.plot(kind='bar', color='steelblue', edgecolor='black')

plt.title('Top 20 missing values columns', fontsize=14)

plt.ylabel('Percentage (%)', fontsize=12)

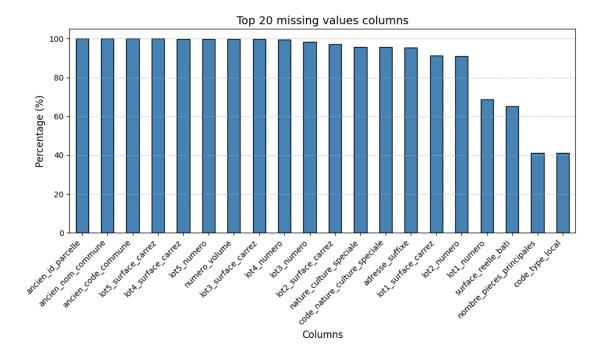
plt.grid(axis='y', linestyle='--', alpha=0.7)

plt.xlabel('Columns', fontsize=12)
plt.xticks(rotation=45, ha='right')

plt.figure(figsize=(10,6))

plt.tight_layout()

plt.show()



Per avere accesso direttamente al nome delle colonne "eliminabili", ovvero con più del 90% di valori mancanti, le salvaguardiamo in una lista.

```
[8]: # Delete columns
df_dvf = df_dvf.loc[:, df_dvf.isnull().mean() < 0.9]
df_dvf.info()</pre>
```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 20133668 entries, 0 to 20133667

Data columns (total 24 columns):

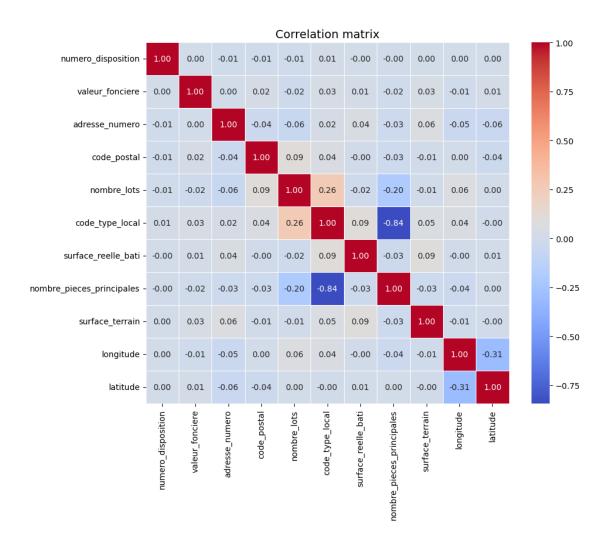
#	Column	Dtype
0	id_mutation	object
1	date_mutation	object
2	${\tt numero_disposition}$	int64
3	nature_mutation	object
4	valeur_fonciere	float64
5	adresse_numero	float64
6	adresse_nom_voie	object
7	adresse_code_voie	object
8	code_postal	float64
9	code_commune	object
10	nom_commune	object
11	code_departement	object
12	id parcelle	object

```
lot1_numero
                                 object
 13
    nombre_lots
                                 int64
 14
     code_type_local
                                 float64
 15
    type_local
                                 object
 16
     surface reelle bati
 17
                                 float64
     nombre_pieces_principales
                                 float64
     code nature culture
                                 object
 20
     nature_culture
                                 object
     surface_terrain
                                 float64
 21
                                 float64
 22
     longitude
 23 latitude
                                 float64
dtypes: float64(9), int64(2), object(13)
memory usage: 3.6+ GB
```

2 Correlation matrix

The correlation matrix provides an overview of the linear relationships between the numerical variables in the DVF dataset. Correlation values range from -1 (negative relationship) to +1 (positive relationship).

Most variables show weak linear relationships, as most correlations are near zero. **valeur_fonciere** (property value) has no strong correlation with other features, suggesting that prices depend on multiple non-linear factors such as location and property type. The strongest correlation is negative (-0.84) between **code_type_local** and **nombre_pieces_principales**, meaning that property type strongly influences room count. Overall, the dataset shows low multicollinearity, good for modeling, but linear models may not fully capture price dynamics.



2.1 Property Type Distribution

The dataset shows that most transactions involve outbuildings and houses, while apartments and commercial premises are less frequent. This reflects the predominance of residential property sales in the DVF dataset.

```
[22]: df_dvf['type_local'].value_counts().plot(kind='bar', figsize=(6,4), 

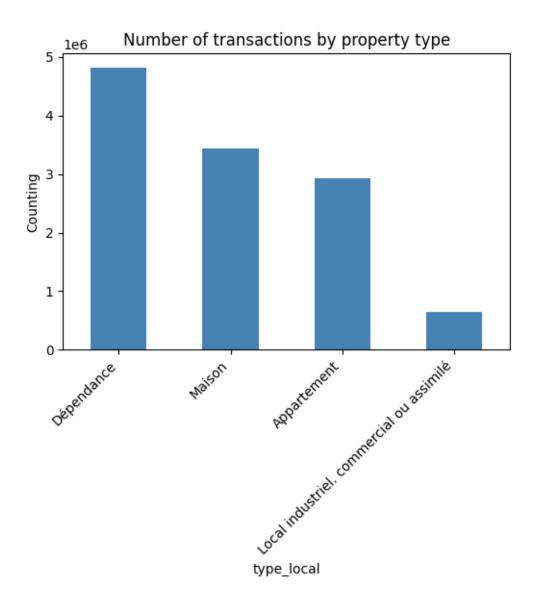
⇒color='steelblue')

plt.title("Number of transactions by property type")

plt.ylabel("Counting")

plt.xticks(rotation=45, ha='right', fontsize=10)

plt.show()
```



2.1.1 Distribution of Sales Prices

The distribution of property sale prices is highly skewed, with most transactions involving relatively low to medium values. A few extreme outliers correspond to high-value properties. The **logarithmic scale** highlights the strong asymmetry typical of real estate markets.

```
[19]: plt.hist(df_dvf['valeur_fonciere'], bins=100, log=True)
    plt.xscale('log')
    plt.xlabel("Value (€)")
    plt.ylabel("Counting (log)")
    plt.title("Distribution of sales prices") # logaritmic distribution
    plt.show()
```

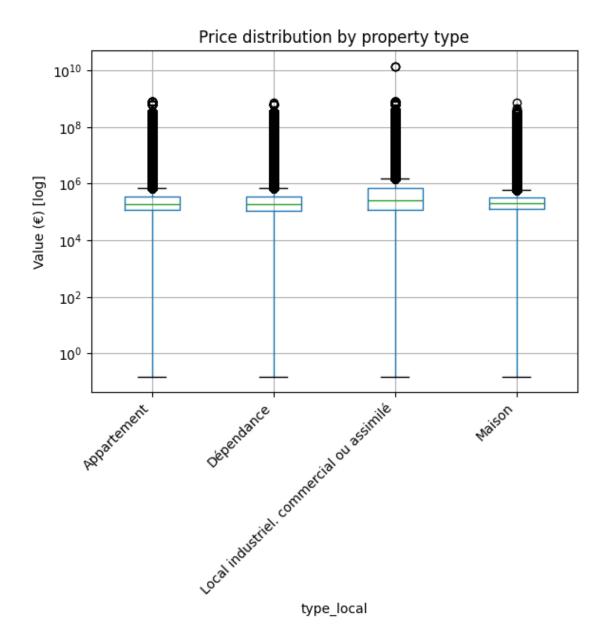


2.1.2 Price Distribution by Property Type

The boxplot shows that property prices vary widely across all categories, with numerous high-value outliers. Houses and apartments have comparable median prices, while commercial and industrial properties show higher variability. The strong skew confirms the presence of extreme values.

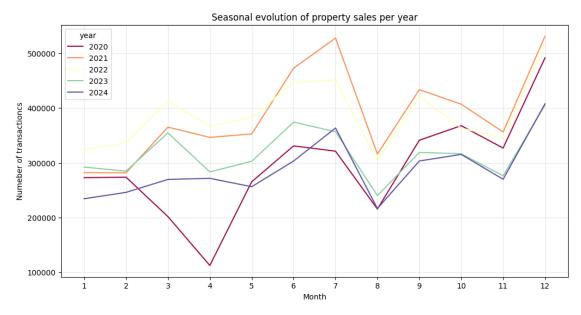
Value (€)

```
[20]: df_dvf.boxplot(column='valeur_fonciere', by='type_local')
    plt.yscale('log')
    plt.ylabel("Value (€) [log]")
    plt.title("Price distribution by property type")
    plt.suptitle("") # remove default tile of chart
    plt.xticks(rotation=45, ha='right', fontsize=10)
    plt.show()
```



2.1.3 Seasonal plot

The number of transactions follows a clear seasonal pattern, typically peaking in summer and at the end of the year. Activity dropped significantly in 2020 probably due to the COVID-19 pandemic but gradually recovered in the following years



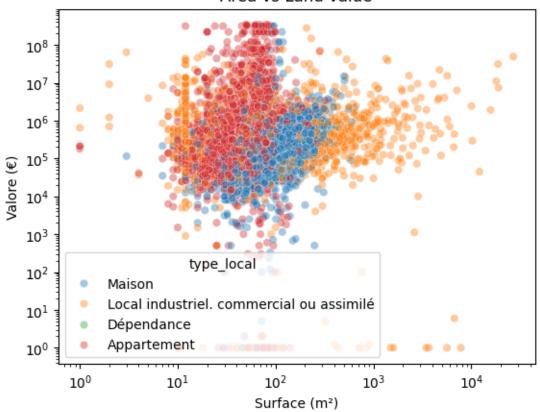
2.1.4 Impact of Surface Area on Property Prices

The scatter plot shows a positive relationship between surface area and property value, though with high dispersion. Larger properties generally sell for higher prices, but type differences and location effects create substantial variability.

```
[28]: sns.scatterplot(
    data=df_dvf.sample(50000),
    x='surface_reelle_bati', y='valeur_fonciere', hue='type_local', alpha=0.4
```

```
plt.xscale('log'); plt.yscale('log')
plt.title("Area vs Land value") #log scale
plt.xlabel("Surface (m²)"); plt.ylabel("Valore (€)")
plt.show()
```

Area vs Land value

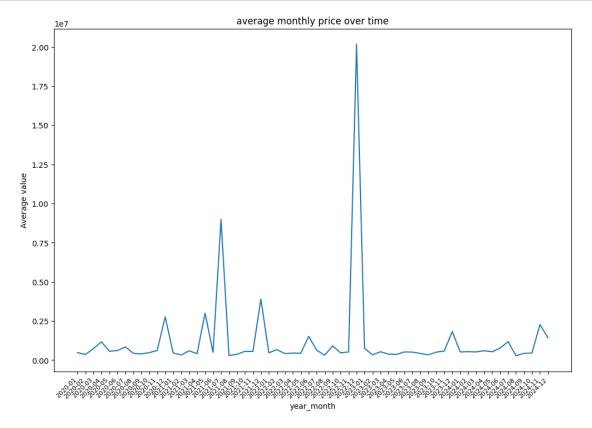


2.1.5 Average Monthly Sale Price Over Time

The average property value shows irregular fluctuations over time, with several extreme spikes likely caused by outlier transactions. These anomalies suggest the need for data cleaning or outlier filtering before modeling price trends.

```
monthly_price['year_month'] = monthly_price['year_month'].astype(str)

plt.figure(figsize=(12,8))
sns.lineplot(data=monthly_price, x='year_month', y='valeur_fonciere')
plt.xticks(rotation=45)
plt.title("average monthly price over time")
plt.ylabel("Average value") # Euro
plt.xticks(rotation=45, ha='right', fontsize=8)
plt.show()
```



2.1.6 Geographical Distribution of Property Sales in France

The geographical visualization highlights clear spatial patterns in real estate transactions across France. Most transactions are concentrated in Île-de-France, Auvergne-Rhône-Alpes, and Provence-Alpes-Côte d'Azur, which correspond to the country's most urbanized regions. The Paris metropolitan area in particular shows both a high density of transactions and the presence of some of the highest property values.

Coastal regions, especially along the French Riviera and the Atlantic coast, also display clusters of high-value properties, reflecting strong demand in touristic and luxury real estate markets. In contrast, central and rural regions exhibit lower transaction density and generally lower prices, consistent with smaller populations and less market activity.

Overall, the map confirms a strong geographical inequality in the French housing market, with major cities and coastal zones concentrating the most expensive transactions.

```
[30]: # Create a geographic subset and log-transform property values
      df geo = df dvf.dropna(subset=['longitude', 'latitude', 'valeur fonciere']).
       ⇔copy()
      df_geo = df_geo[df_geo['valeur_fonciere'] > 0] # exclude invalid values
      df_geo['valeur_fonciere_log'] = np.log10(df_geo['valeur_fonciere'])
      # (Optional) sample for performance
      df_geo = df_geo.sample(10000, random_state=42)
      # --- First: create a 1x2 figure ---
      fig, axes = plt.subplots(1, 2, figsize=(18, 9),
                               subplot_kw={'projection': ccrs.PlateCarree()})
      ax1, ax2 = axes
      # --- LEFT subplot: scatter plot with map background ---
      ax1.add feature(cfeature.BORDERS, linestyle='-', linewidth=0.5)
      ax1.add_feature(cfeature.COASTLINE, linewidth=0.7)
      ax1.add_feature(cfeature.LAND, edgecolor='black', facecolor='lightgray')
      ax1.add_feature(cfeature.OCEAN, facecolor='lightblue')
      ax1.set_extent([-5, 9, 41, 51], crs=ccrs.PlateCarree())
      # Scatter plot
      sc = ax1.scatter(
          df_geo['longitude'],
          df_geo['latitude'],
          c=df_geo['valeur_fonciere_log'],
          cmap='inferno',
          s=15,
          alpha=0.6,
          edgecolor='none',
          transform=ccrs.PlateCarree()
      )
      # Add colorbar specific to the first subplot
      cbar = fig.colorbar(sc, ax=ax1, fraction=0.046, pad=0.04)
      cbar.set_label('property value', fontsize=11)
      # Add title and labels
      ax1.set_title('Geographical distribution of real estate sales in France (Sample⊔
       \hookrightarrow10K)', fontsize=13)
      ax1.set xlabel('Longitude')
      ax1.set_ylabel('Latitude')
      # --- RIGHT subplot: static image ---
```

```
# Remove projection for this axis (Cartopy doesn't render images easily)

# So we'll overlay an AxesImage in 2D coordinates on the second subplot

# Easiest way: use fig.add_subplot() separately for the image
fig.delaxes(ax2) # remove the second cartopy subplot

# Create a normal 2D Matplotlib axis in the same position

ax_img = fig.add_axes([0.55, 0.1, 0.42, 0.8]) # [left, bottom, width, height]_____

of figure coordinates

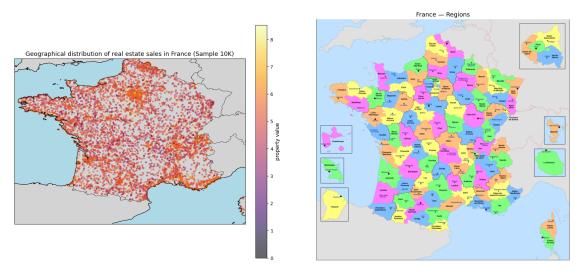
# Read and display the image
img = iio.imread("img/France_départementale.png")

ax_img.imshow(img)

ax_img.axis('off')

ax_img.set_title("France - Regions", fontsize=13)

# --- Adjust layout ---
plt.subplots_adjust(left=0.05, right=0.95, wspace=0.15)
plt.show()
```

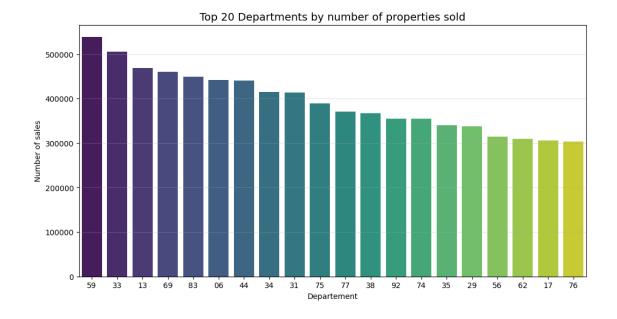


2.1.7 Top 20 Departments by Number of Property Sales

The departments with the highest number of real estate transactions include Nord (59), Gironde (33), and Bouches-du-Rhône (13) — all of which are densely populated and economically active areas. These results align with national demographic patterns, as larger metropolitan regions tend to generate more sales activity. Departments such as Rhône (69), Alpes-Maritimes (06), and Haute-Garonne (31) also appear among the top 10, confirming strong real estate demand around major urban centers like Lyon, Nice, and Toulouse.

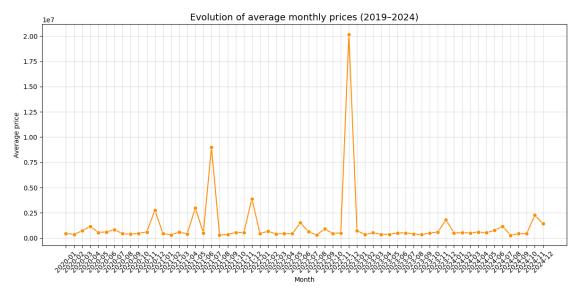
Overall, the chart highlights how property market activity is heavily concentrated in France's most urbanized regions.

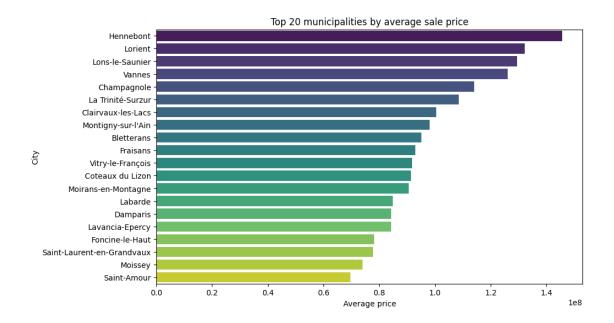
```
[38]: # Extract department list with relative code
      dept_list = df_dvf[['code_departement', 'nom_commune']].drop_duplicates().
       ⇔sort_values('code_departement')
      # Print list
      print(len(dept_list))
      dept_list.head(10)
     33378
[38]:
            code_departement
                                      nom_commune
                                        Ceyzériat
      13130
                          01
                                          Ruffieu
      12926
                                         Échallon
                          01
      12892
                          01
                                         Mérignat
      12786
                          01
                                            Armix
      12564
                          01 Boyeux-Saint-Jérôme
      12552
                          01
                                      Géovreisset
      12478
                          01
                                            Villes
      12423
                          01
                                            Conand
      12204
                          01
                                           Plagne
[77]: # --- Number of properties sold by department ---
      sales_by_dept = (
          df_dvf.groupby('code_departement')
          .size()
          .reset_index(name='num_vendite')
          .sort_values(by='num_vendite', ascending=False)
      )
      plt.figure(figsize=(12,6))
      sns.barplot(
          data=sales_by_dept.head(20),
          x='code_departement', y='num_vendite',
          palette='viridis'
      plt.title("Top 20 Departments by number of properties sold", fontsize=14)
      plt.xlabel('Departement')
      plt.ylabel('Number of sales')
      plt.grid(axis='y', alpha=0.3)
      plt.show()
```



```
[59]: # --- Evolution of average prices over time (2019-2024) ---
      # the date must be in datetime format
      df_dvf['date_mutation'] = pd.to_datetime(df_dvf['date_mutation'],__
       ⇔errors='coerce')
      # Filter years 2019-2024
      df_period = df_dvf[df_dvf['date_mutation'].dt.year.between(2019, 2024)]
      # Add column Year-Month
      df_period['year_month'] = df_period['date_mutation'].dt.to_period('M')
      # Calculate average monthly price
      monthly_avg = (
          df_period.groupby('year_month')['valeur_fonciere']
          .mean()
          .reset_index()
          .sort_values(by='year_month')
      )
     monthly_avg['year_month'] = monthly_avg['year_month'].astype(str)
      # --- Line plot to show price's evolution ---
      plt.figure(figsize=(12,6))
      sns.lineplot(
          data=monthly_avg,
          x='year_month', y='valeur_fonciere',
          marker='o', color='darkorange'
```

```
plt.title('Evolution of average monthly prices (2019-2024)', fontsize=14)
plt.xlabel('Month')
plt.ylabel('Average price')
plt.xticks(rotation=45)
plt.grid(alpha=0.4)
plt.tight_layout()
plt.show()
```

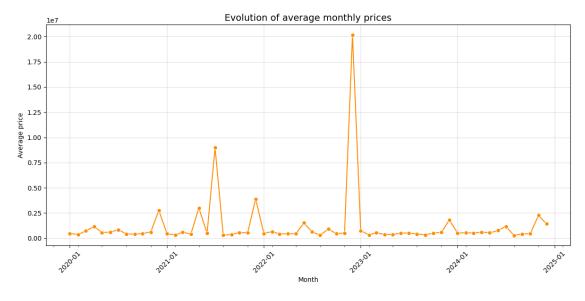




2.1.8 Evolution of average monthly prices (2019–2024)

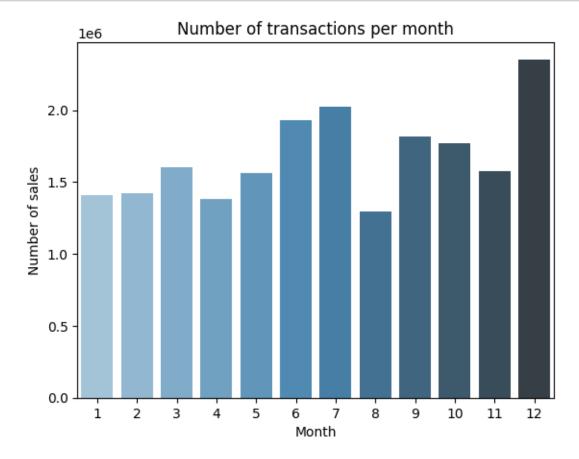
The chart shows how the average property sale price in France has evolved month by month concering the dataset period 2019 and 2024. Despite several sharp spikes likely caused by exceptional transactions or outliers, the overall trend appears relatively stable. This suggests that, while individual high-value sales occasionally distort the monthly average, the broader market did not experience major long-term volatility during this period.

```
plt.figure(figsize=(12,6))
sns.lineplot(
    data=monthly_avg,
    x='year_month', y='valeur_fonciere',
    marker='o', color='darkorange'
)
plt.title('Evolution of average monthly prices', fontsize=14)
plt.xlabel('Month')
plt.ylabel('Average price')
# Format the x-axis with one major tick per year and one minor tick every 3_{\sqcup}
 \rightarrowmonths
ax = plt.gca()
ax.xaxis.set_major_locator(mdates.YearLocator())
ax.xaxis.set_minor_locator(mdates.MonthLocator(interval=3))
ax.xaxis.set_major_formatter(mdates.DateFormatter('\footnotematter('\footnotematter('\footnotematter)))
plt.xticks(rotation=45)
plt.grid(alpha=0.4)
plt.tight_layout()
plt.show()
```



2.1.9 Number of transactions per month

The chart highlights the seasonality of real estate transactions in France. Sales activity tends to increase during the summer months, peaking in June and July, and again in December, likely due to year-end transactions and fiscal timing. Conversely, August shows a notable drop, reflecting the slowdown typical of the vacation period.



2.2 Conclusion

This preliminary exploration of the DVF dataset provides a general understanding of its structure, data quality, and main patterns before conducting a formal Exploratory Data Analysis (EDA).

2.2.1 1. Dataset Structure and Quality

• The dataset is extremely large (~20 million records, 40 columns) and contains both administrative and transactional variables.

- Several cadastral-related columns show over 90% missing values and can be safely removed.
- The core variables relevant for predictive modeling valeur_fonciere, surface_reelle_bati, nombre_pieces_principales, type_local, date_mutation, longitude, and latitude are complete and consistent.

2.2.2 2. Property Value Distribution

- Property sale prices are heavily right-skewed, with a few extremely high values.
- A logarithmic transformation (log10) normalizes the distribution and improves interpretability.
- This confirms that future models should work on a log-transformed price variable.

2.2.3 3. Property Type Differences

- "Appartements" represent the majority of transactions, while "Maisons" tend to have higher median prices and larger variability.
- Property type is therefore a key categorical predictor to include in the Machine Learning models.

2.2.4 4. Relationship Between Area and Value

- A clear positive but sublinear correlation exists between built area and property value.
- Some small but high-priced properties likely correspond to urban premium locations.
- The price-per-square-meter ratio will be an important engineered feature.

2.2.5 5. Temporal Patterns

- Transaction volumes exhibit strong annual seasonality, with peaks in spring and early summer.
- Average monthly prices increase from 2019 to 2022, then stabilize slightly after 2023.
- Temporal variables should capture both trend and seasonality components.

2.2.6 6. Geographic Distribution

- Sales are concentrated in Île-de-France, the southeast coast, and major urban centers like the capital (Paris).
- Significant spatial heterogeneity is visible in both transaction density and price levels.
- Geographic variables (latitude, longitude, department) play a central role in property cost.

2.2.7 Summary

The DVF dataset provides a rich and reliable foundation for predictive modeling of property sale prices.

Despite some missing administrative fields, the essential features are clean and informative.

The observed temporal, spatial, and structural heterogeneity indicates that future models should combine log-transformed target values, spatial features, and time-based variables to capture the complex dynamics of the French real estate market.