

```

#Requirement 1: Preprocessing and Exploratory Data Analysis
housing <- read.table("AmesHousing.txt", header = TRUE, sep = "\t")

# For simplicity, impute missing values with the median (you may choose another method)
housing$Lot.Frontage[is.na(housing$Lot.Frontage)] <- median(housing$Lot.Frontage, na.rm = TRUE)
housing$Mas.Vnr.Area[is.na(housing$Mas.Vnr.Area)] <- median(housing$Mas.Vnr.Area, na.rm = TRUE)
housing$BsmtFin.SF.1[is.na(housing$BsmtFin.SF.1)] <- median(housing$BsmtFin.SF.1, na.rm = TRUE)

library(ggplot2)
library(corrplot)

## corrplot 0.92 loaded

library(carData)
library(lattice)
library(car)
library(caret)
library(Matrix)
library(glmnet)

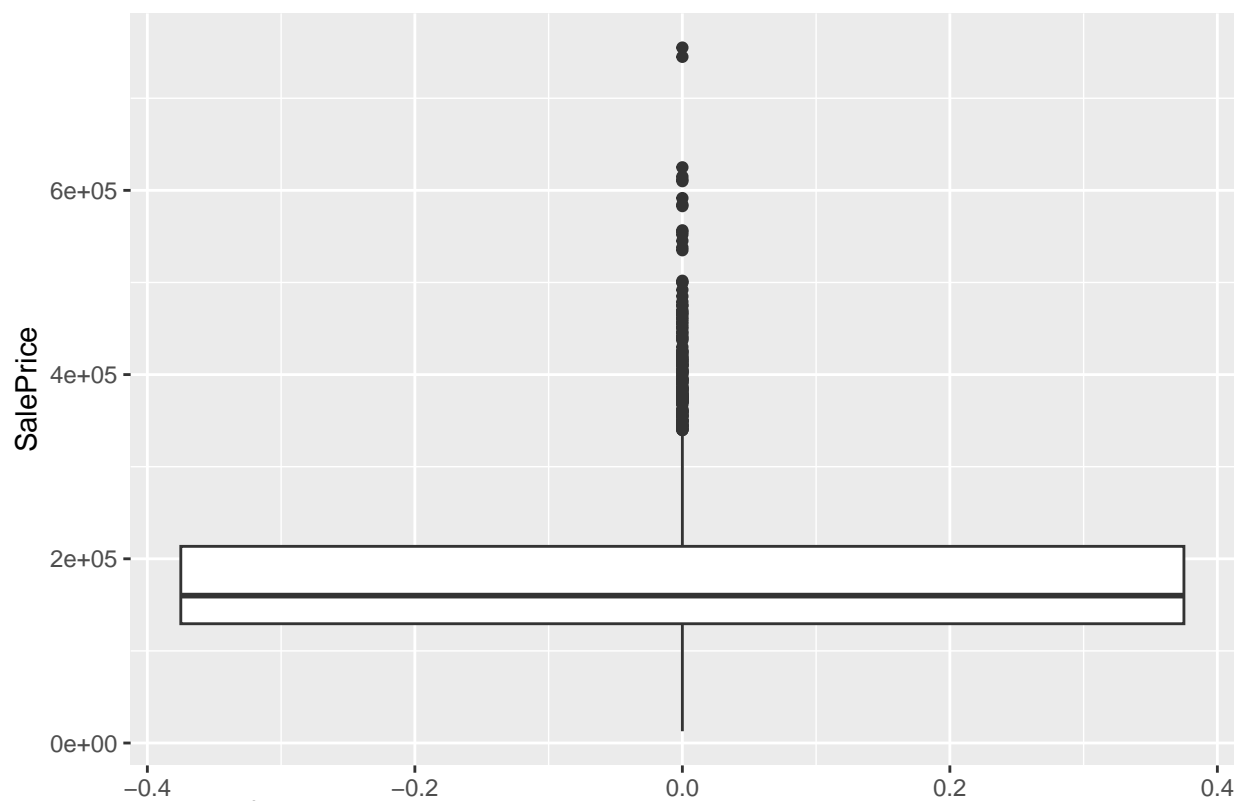
## Loaded glmnet 4.1-8

# Boxplot for selected continuous variables
selected_vars <- c("SalePrice", "Lot.Frontage", "Lot.Area", "Overall.Qual", "Year.Built", "Overall.Qual")

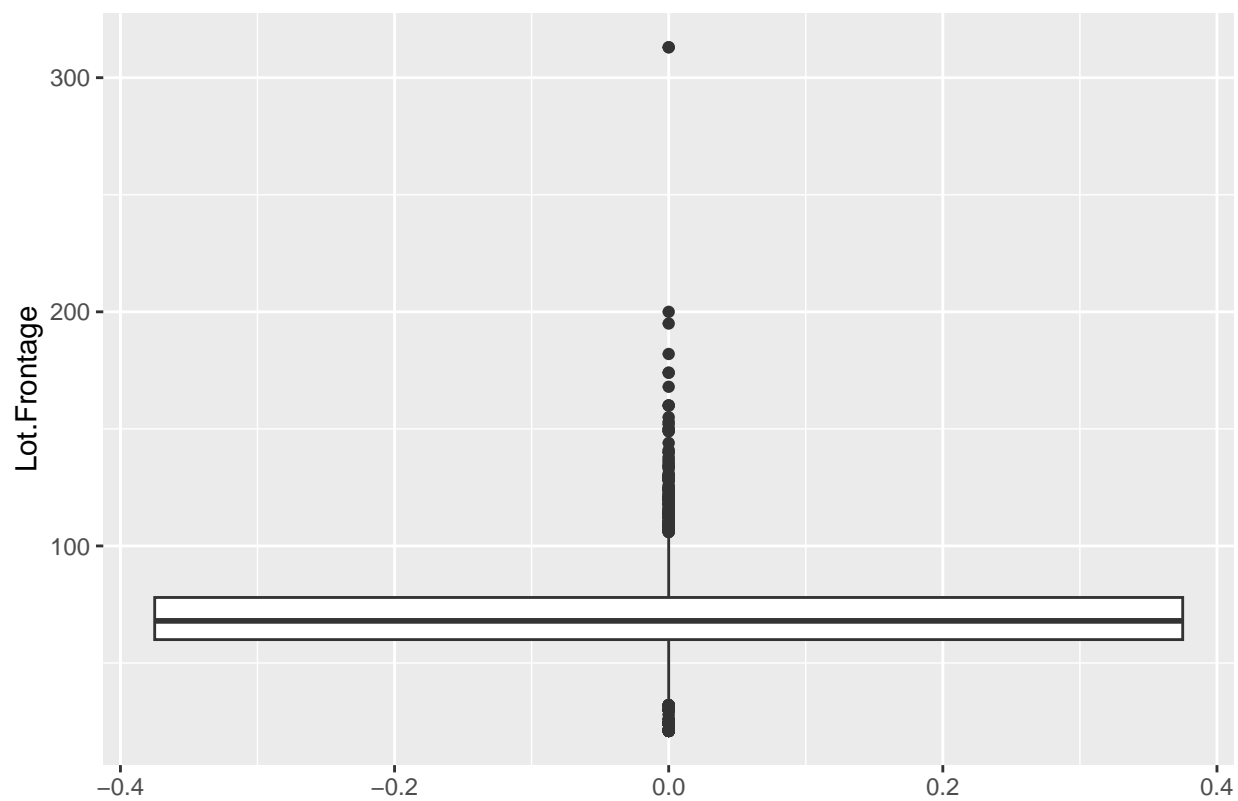
# Iterate through the selected variables and plot boxplots
for (var in selected_vars) {
  boxplot <- ggplot(housing, aes(y = .data[[var]])) +
    geom_boxplot() +
    ggtitle(paste("Boxplot of", var))
  plot(boxplot)
}

```

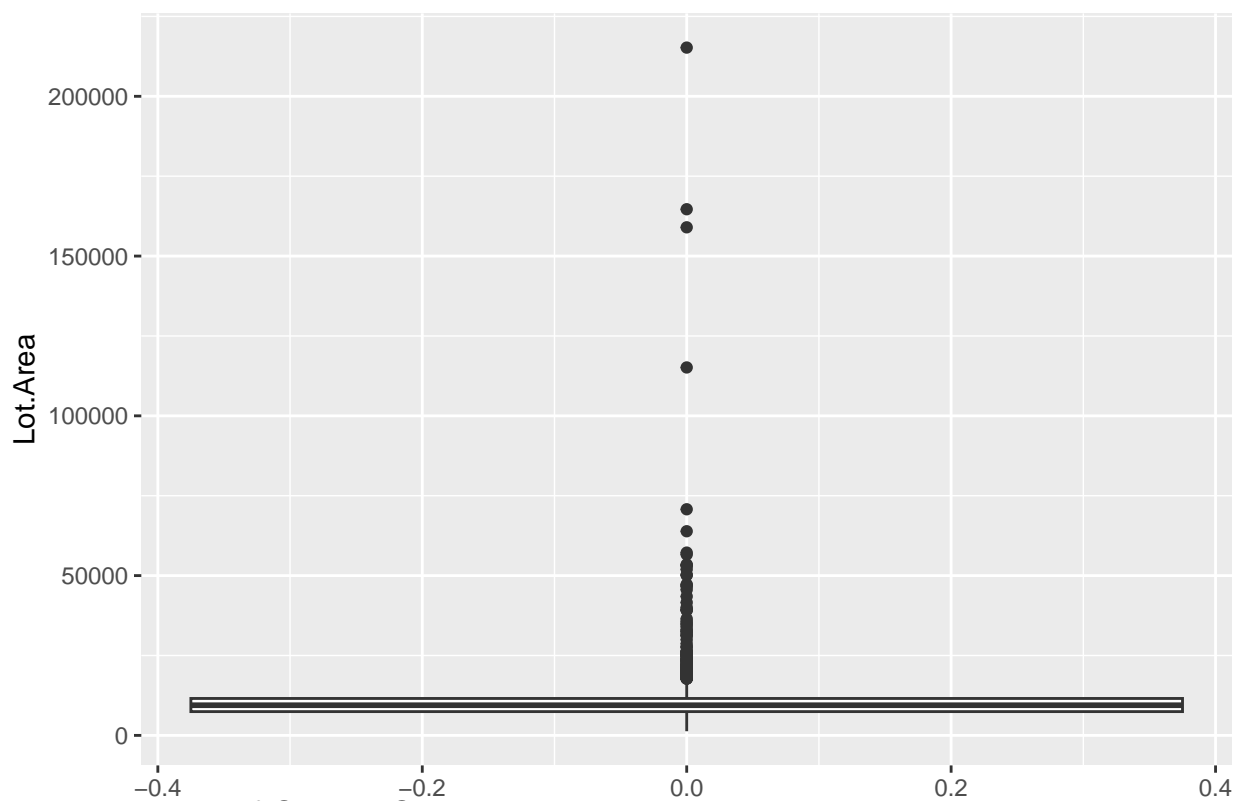
Boxplot of SalePrice



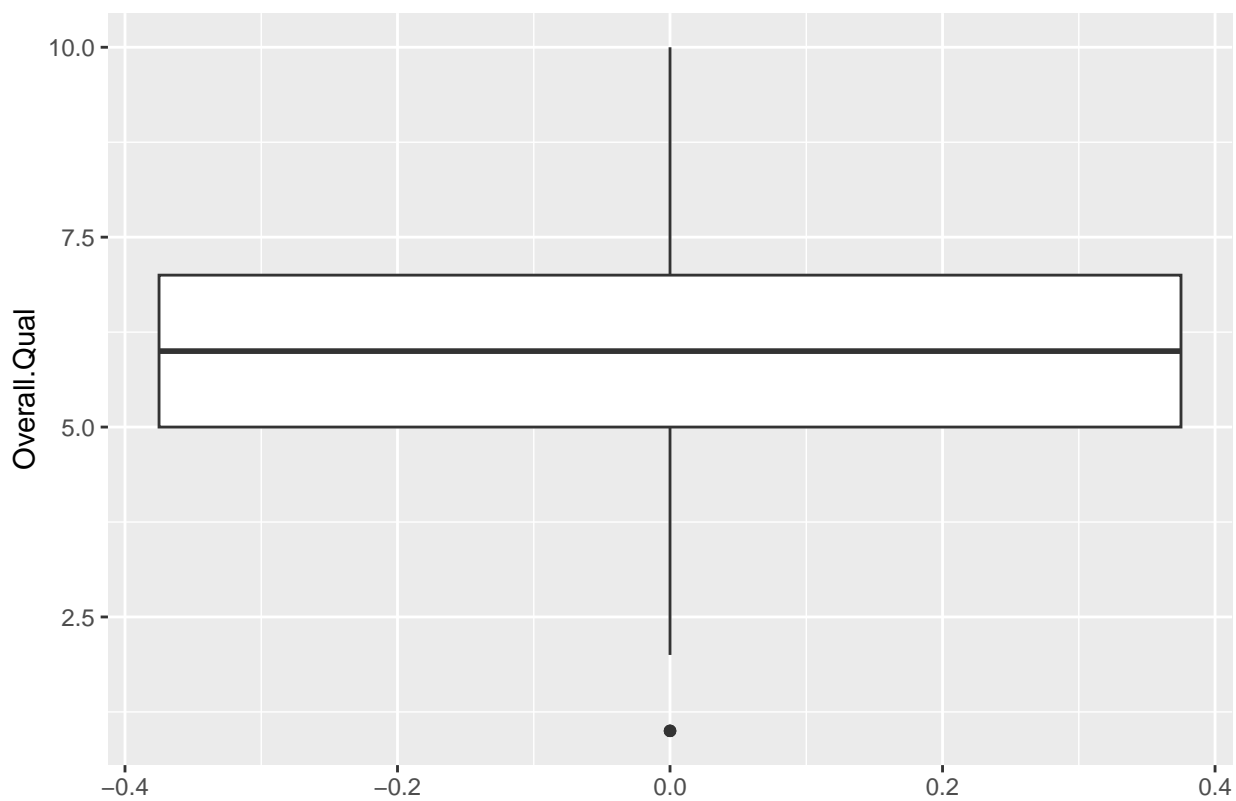
Boxplot of Lot.Frontage



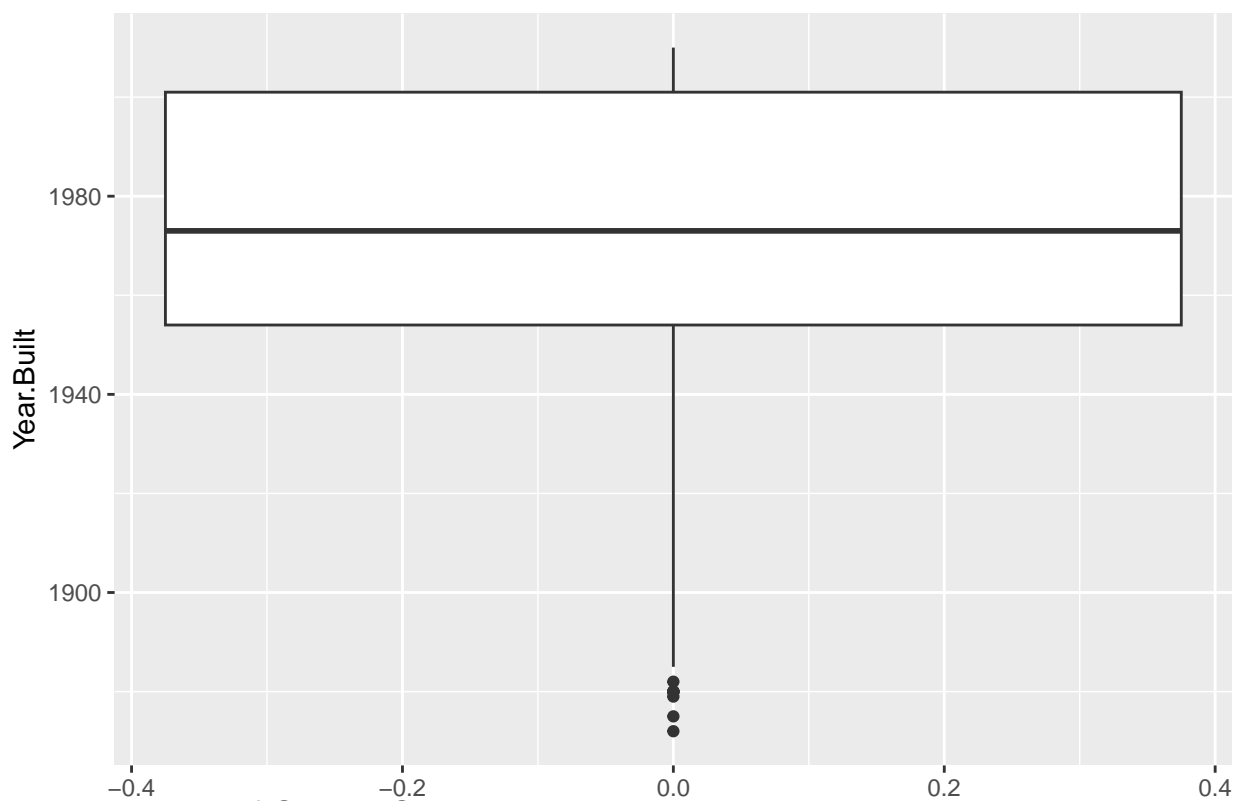
Boxplot of Lot.Area



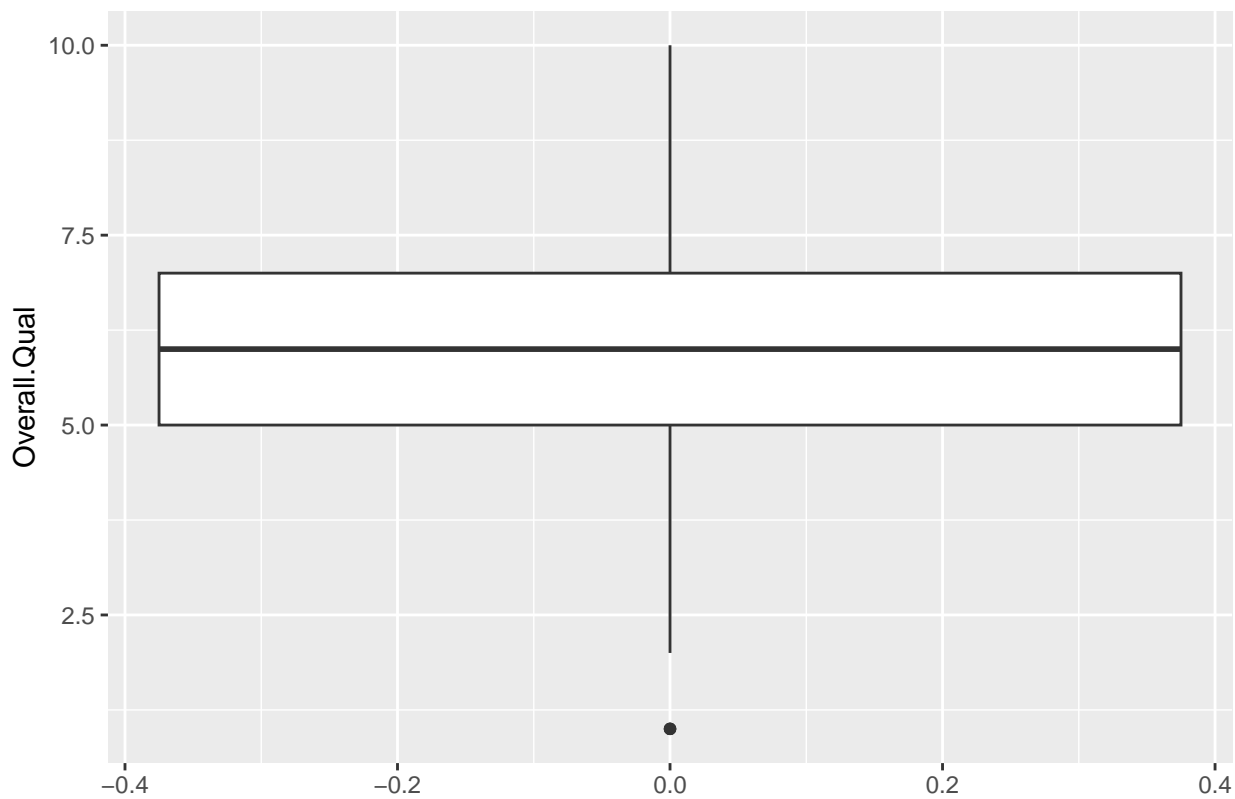
Boxplot of Overall.Qual

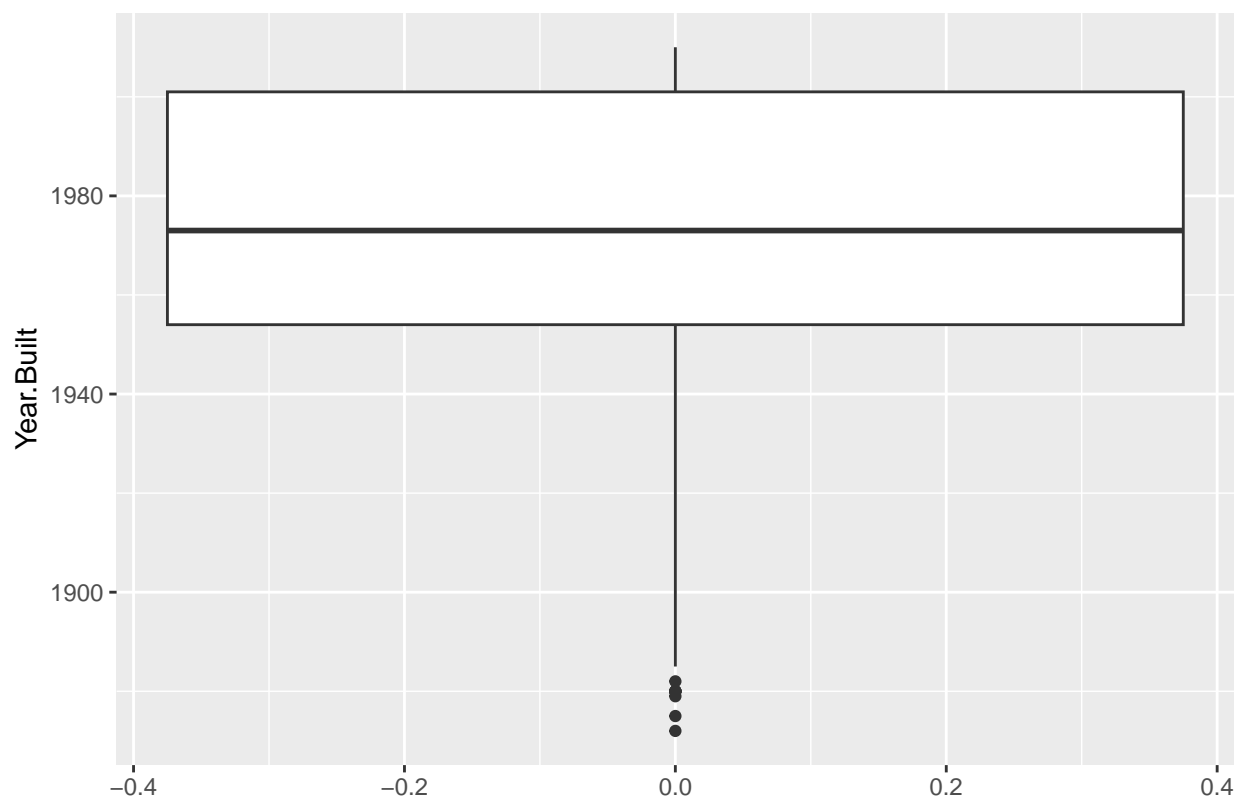
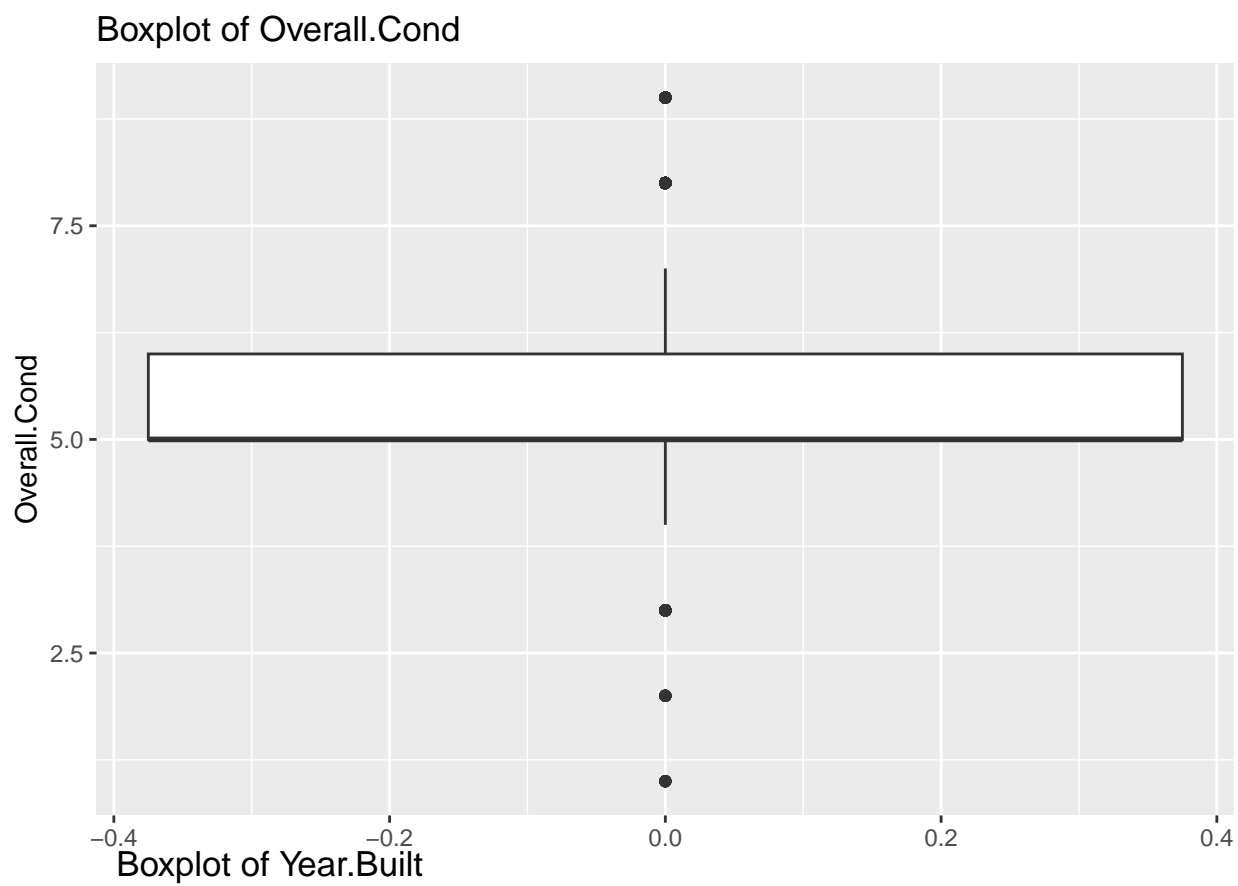


Boxplot of Year.Built

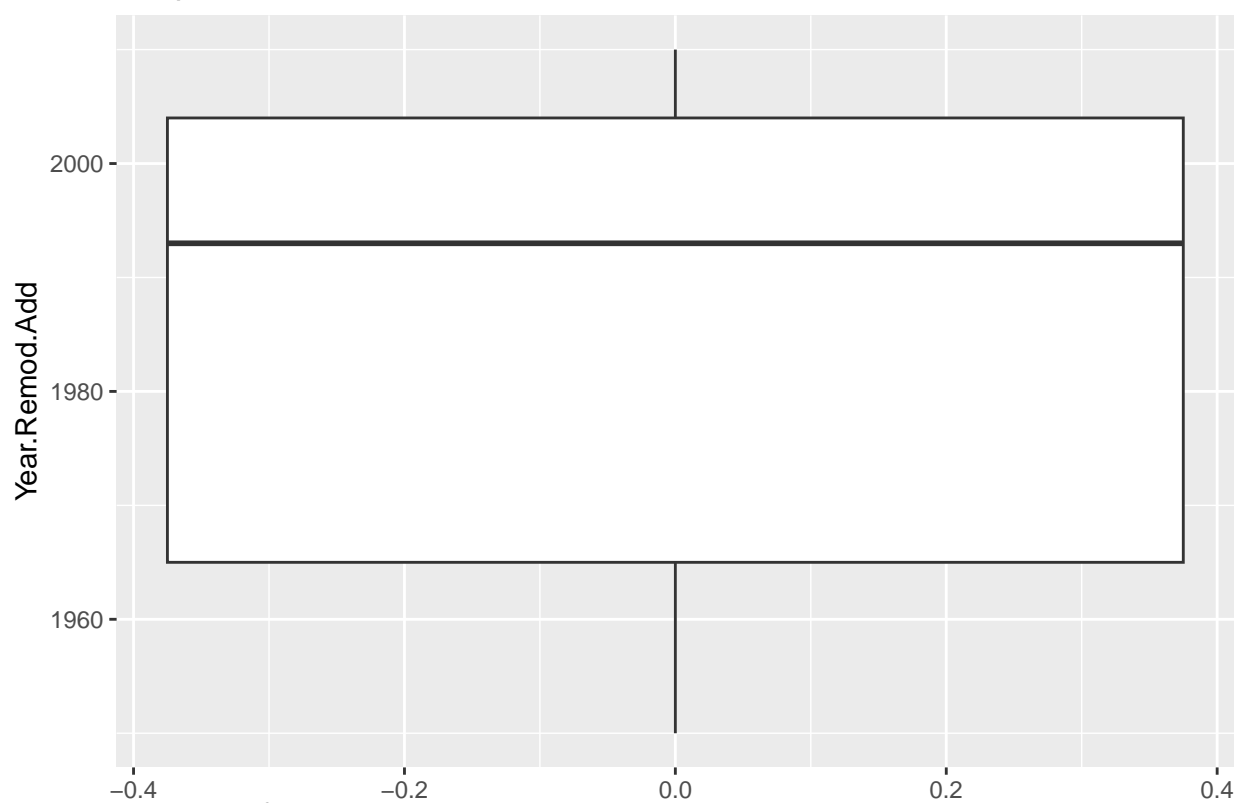


Boxplot of Overall.Qual

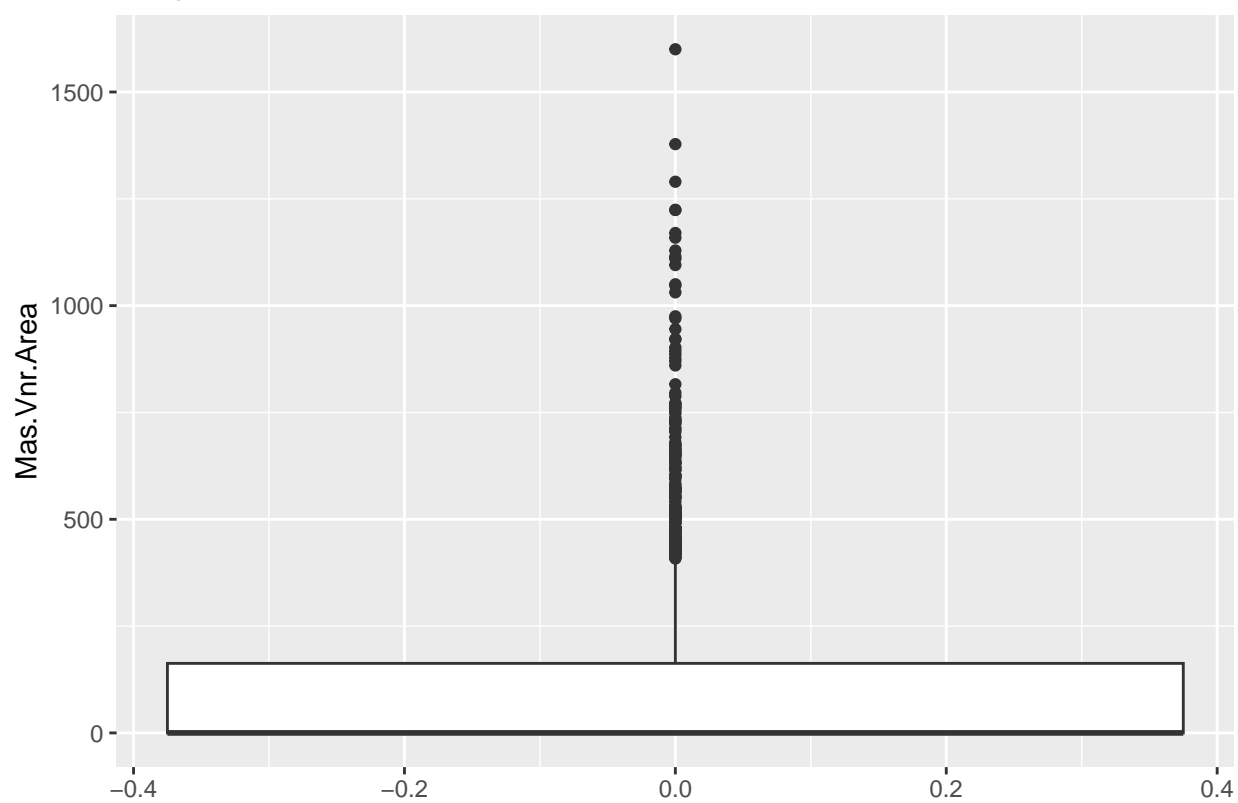




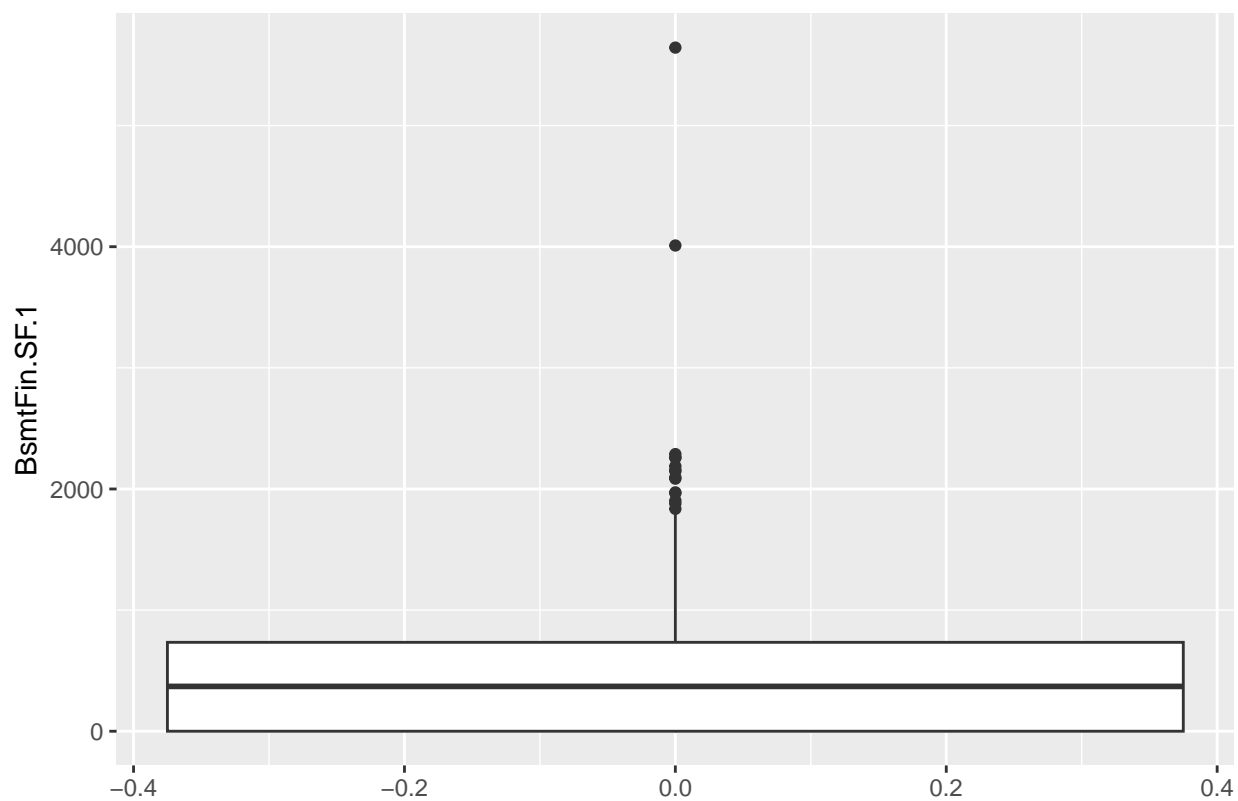
Boxplot of Year.Remod.Add



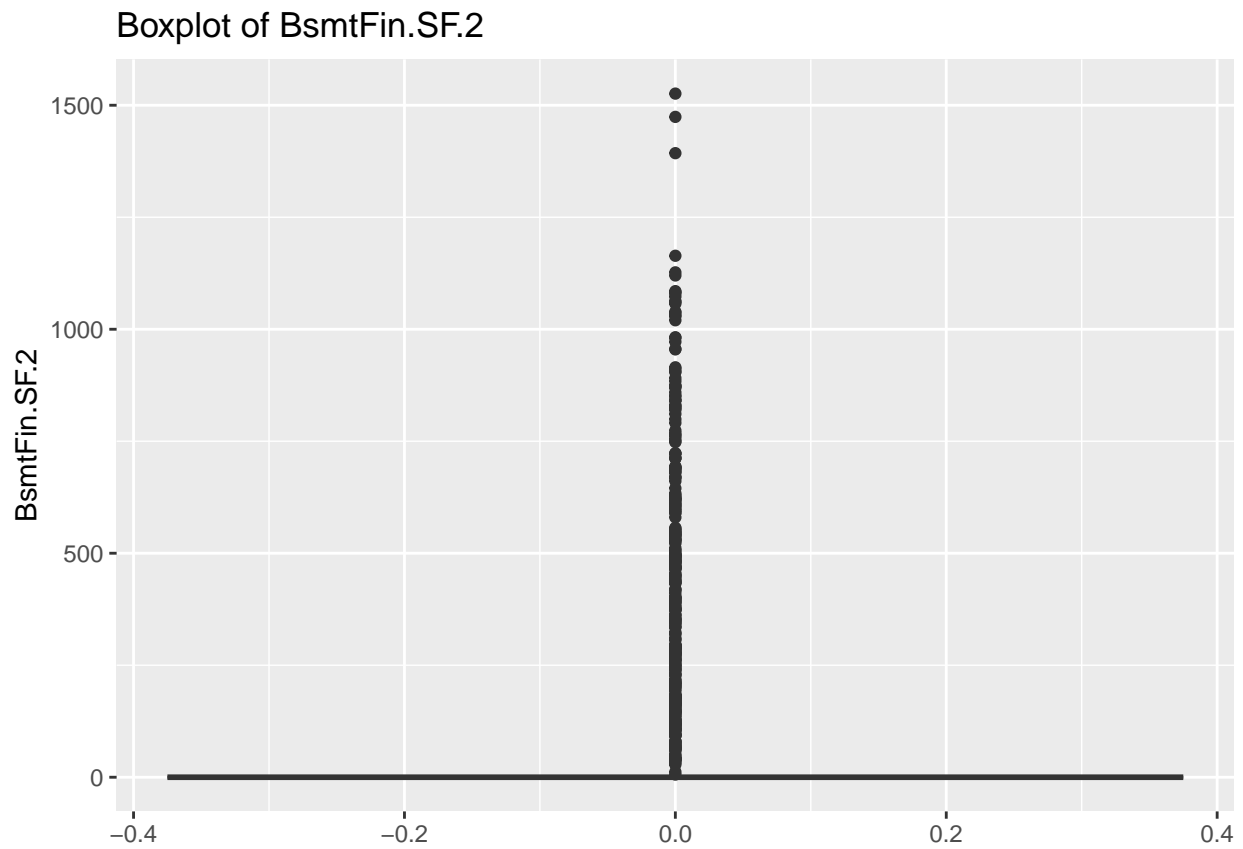
Boxplot of Mas.Vnr.Area



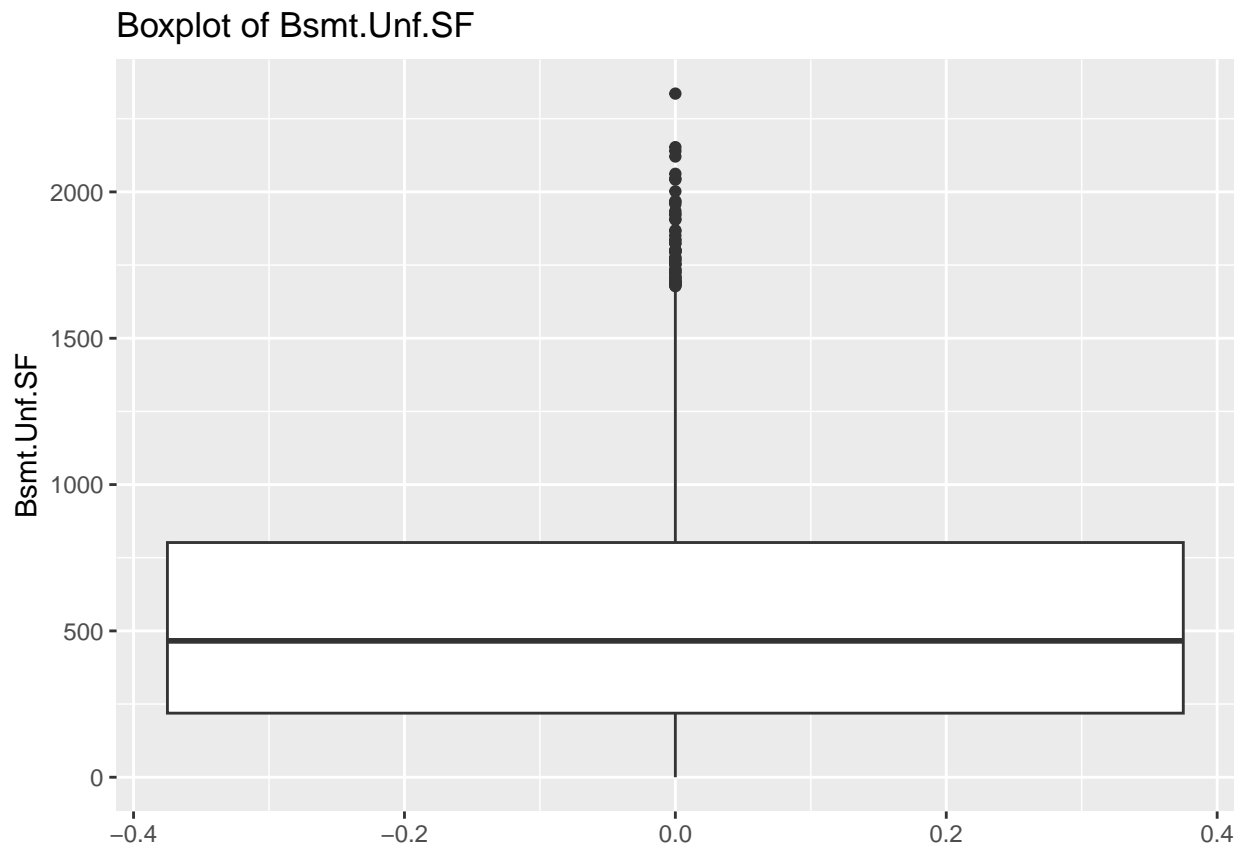
Boxplot of BsmtFin.SF.1



Warning: Removed 1 rows containing non-finite values (`stat_boxplot()`).

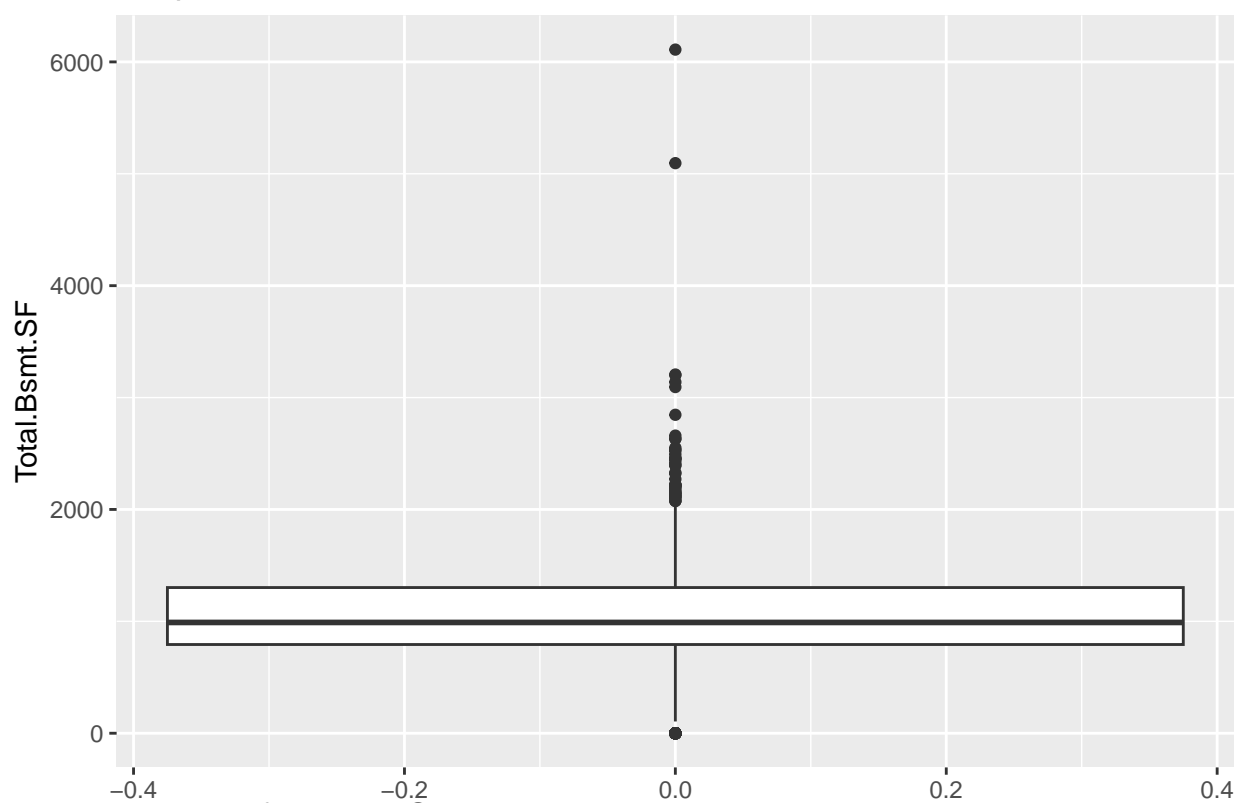


```
## Warning: Removed 1 rows containing non-finite values (`stat_boxplot()`).
```

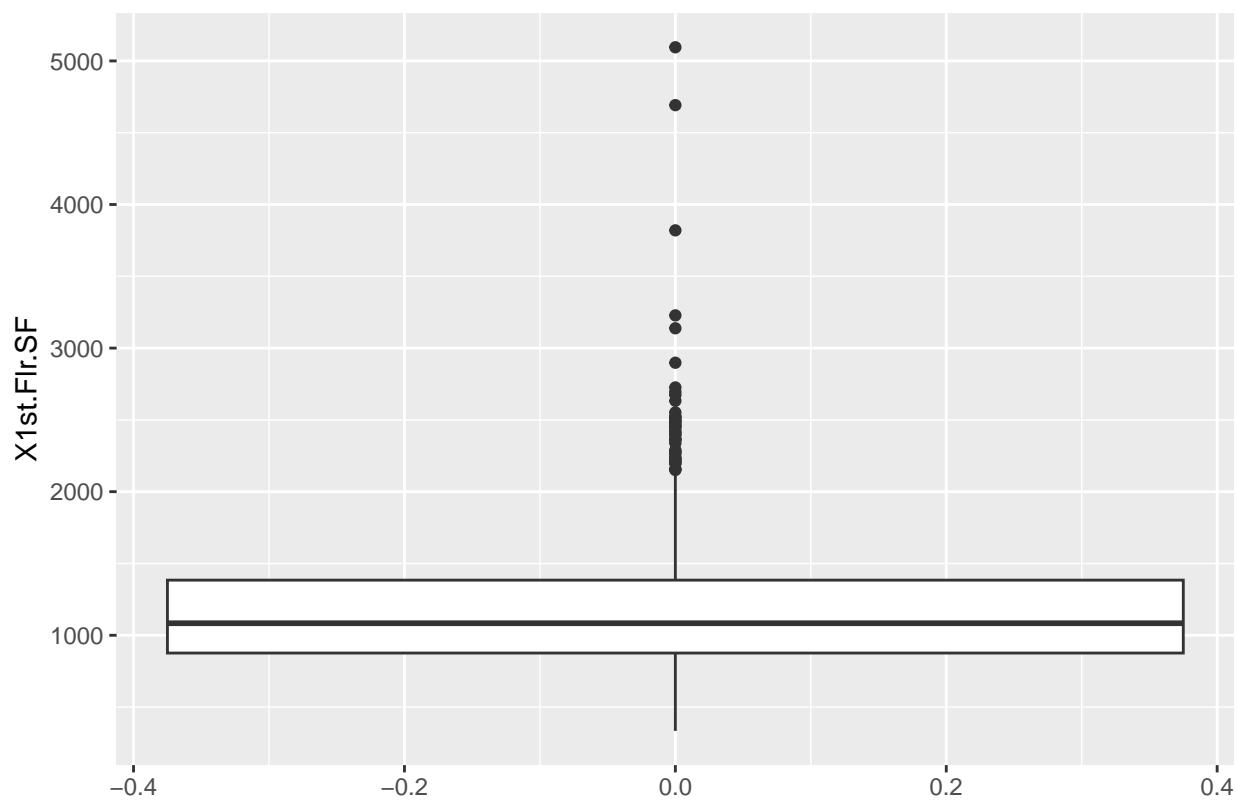



```
## Warning: Removed 1 rows containing non-finite values (`stat_boxplot()`).
```

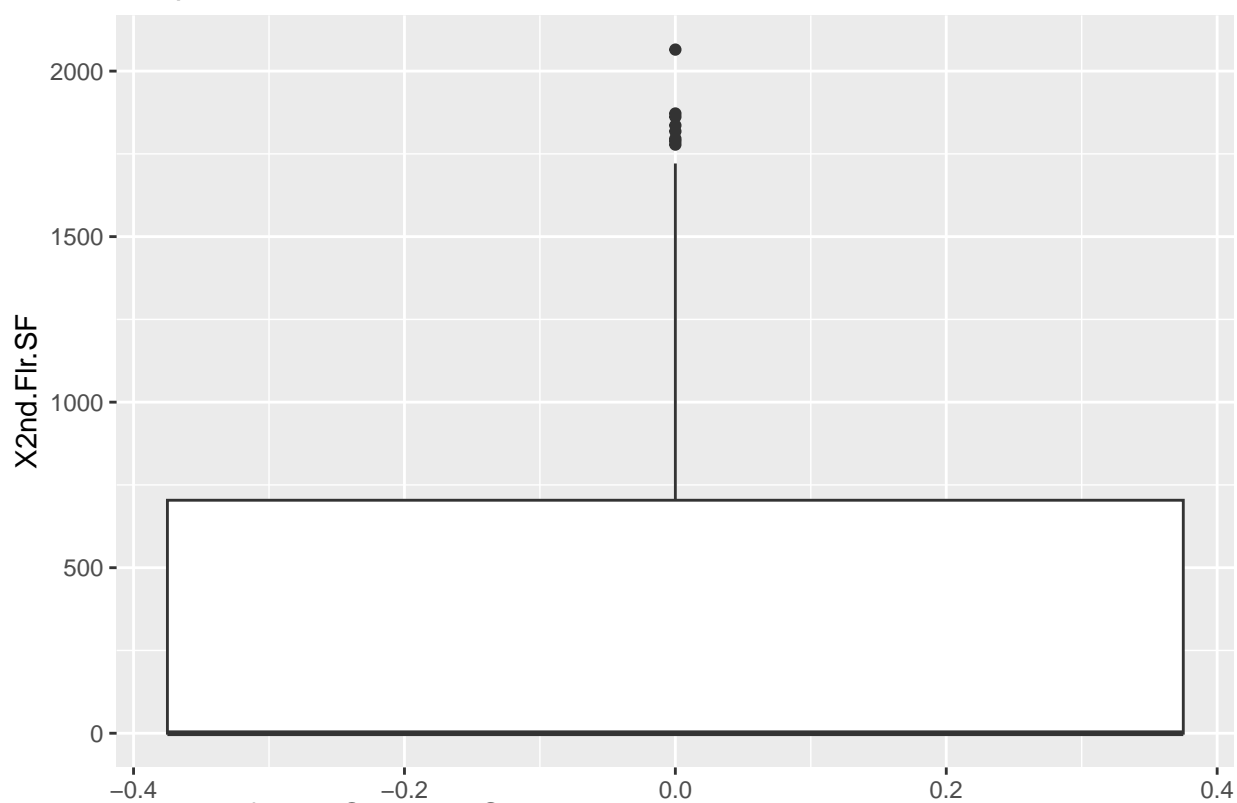
Boxplot of Total.Bsmt.SF



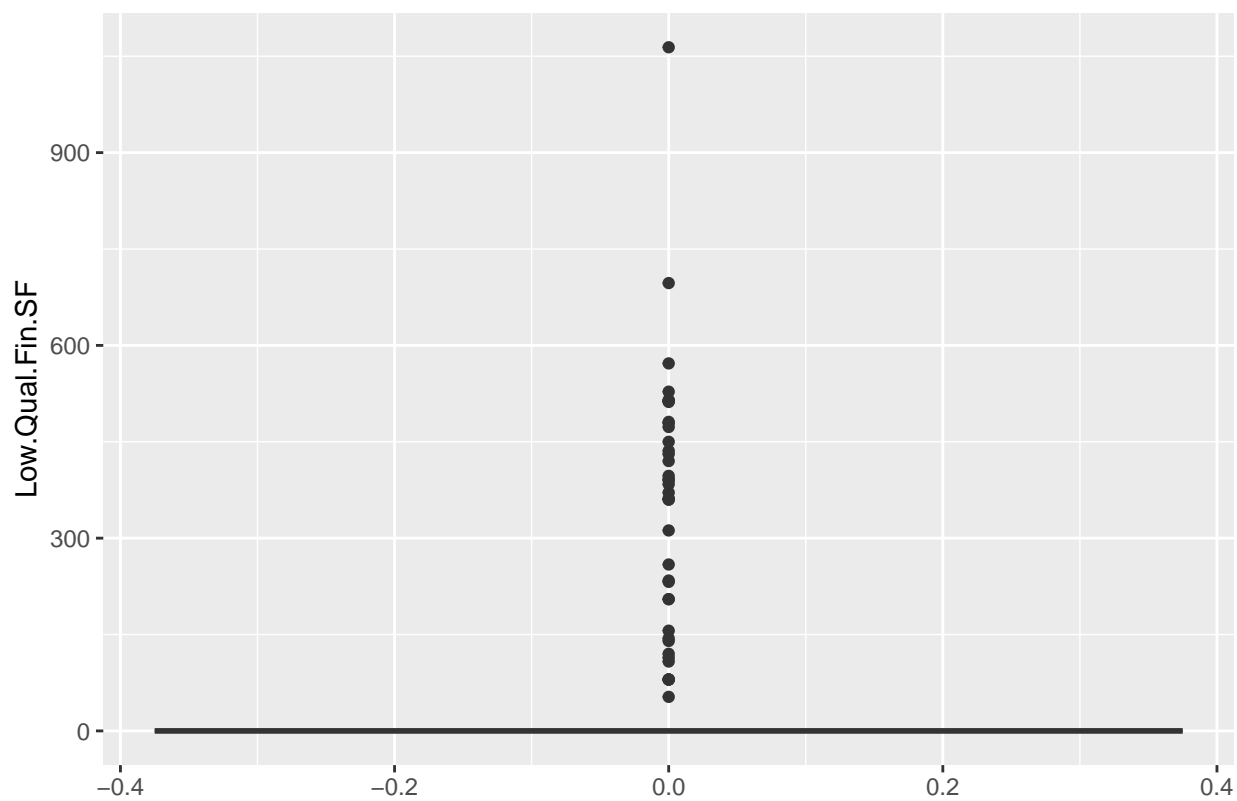
Boxplot of X1st.Flr.SF

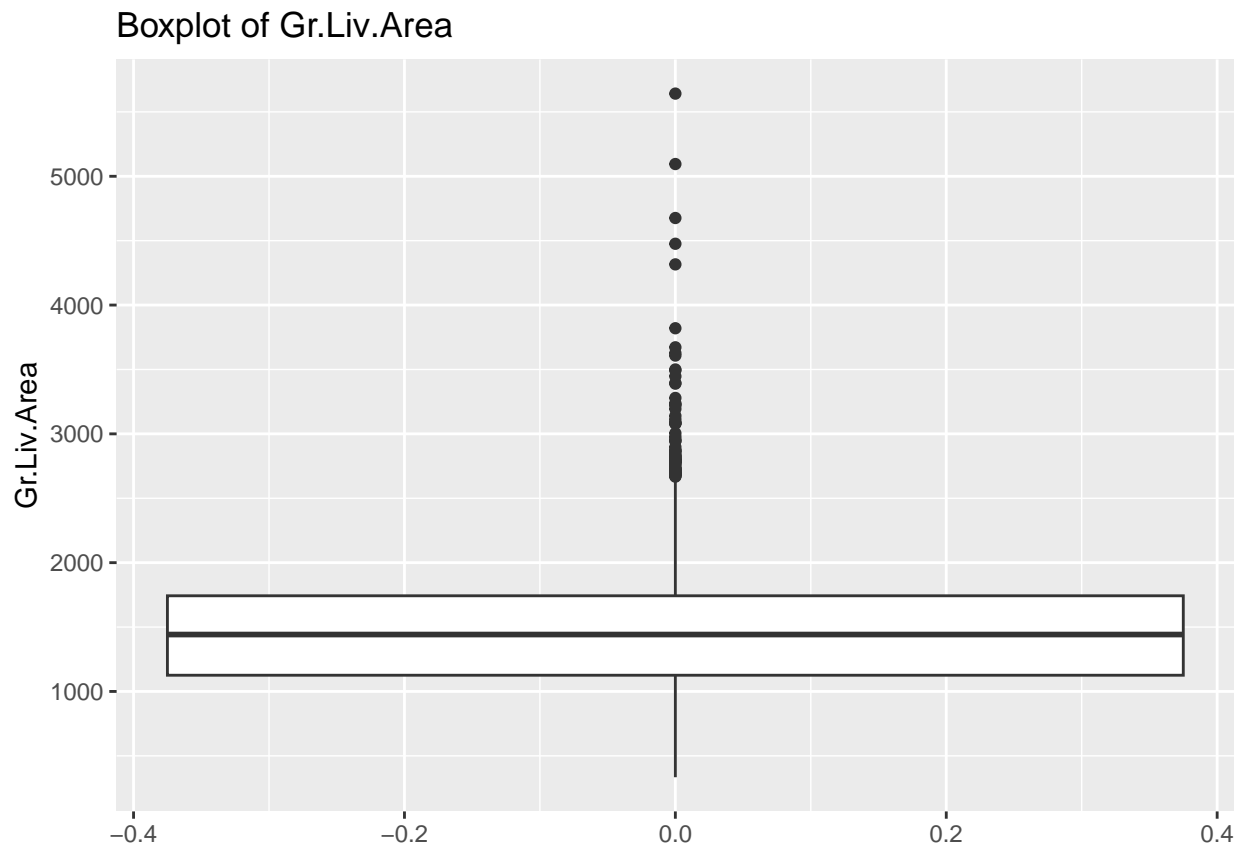


Boxplot of X2nd.Flr.SF

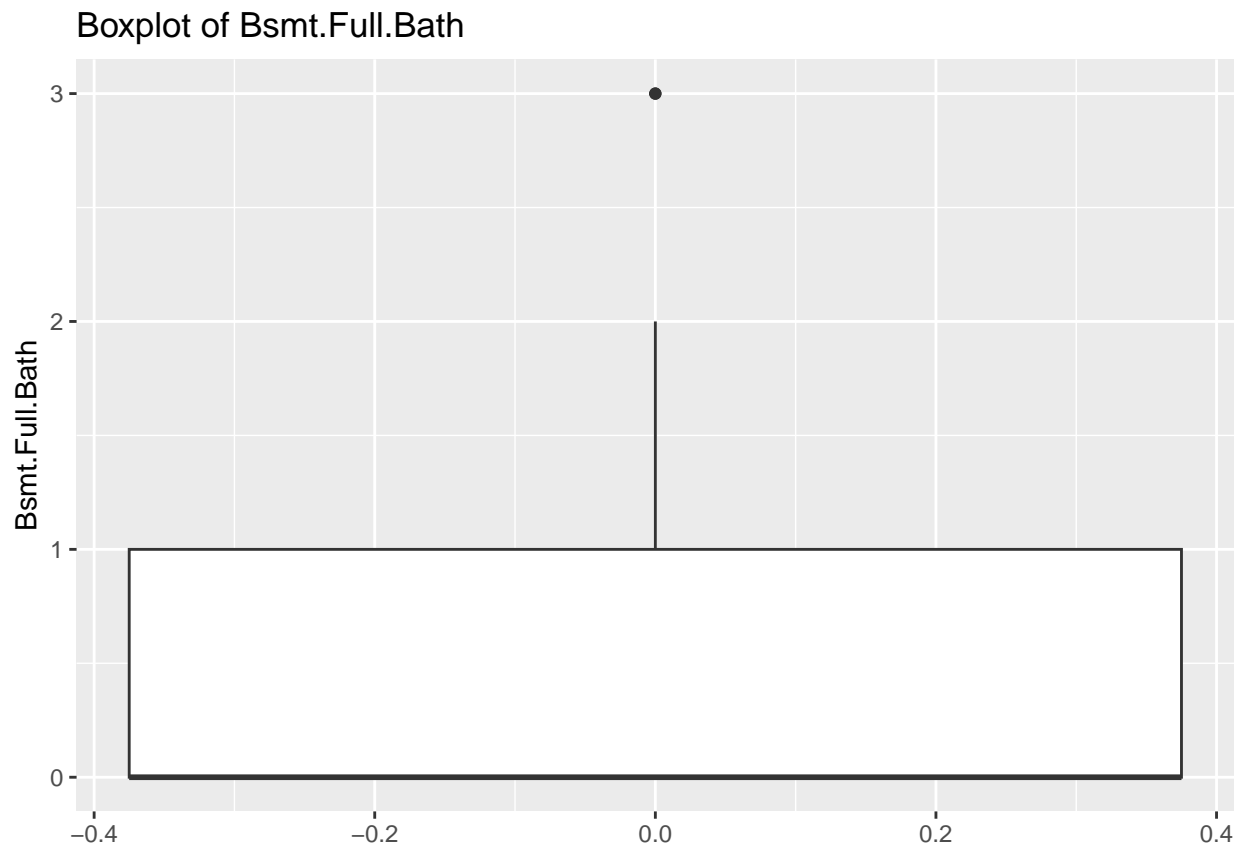


Boxplot of Low.Qual.Fin.SF

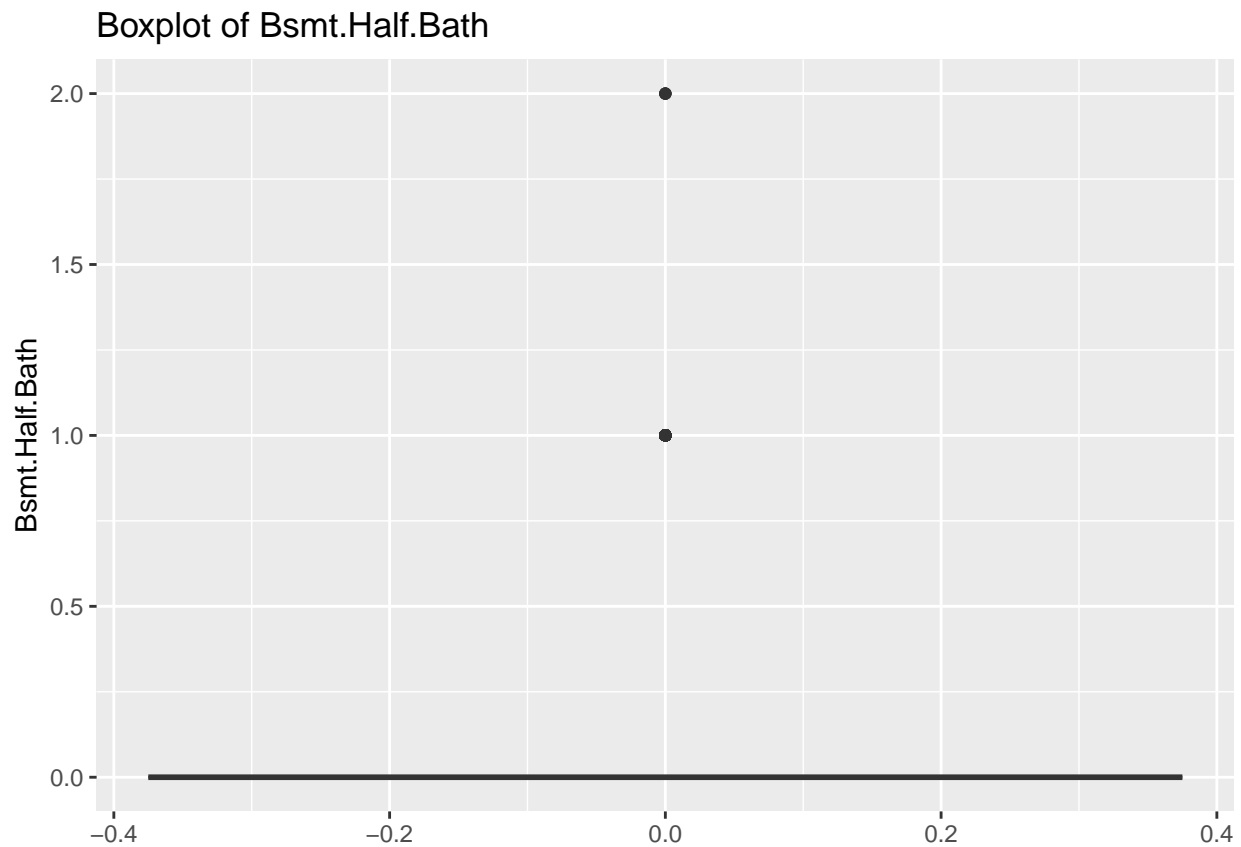




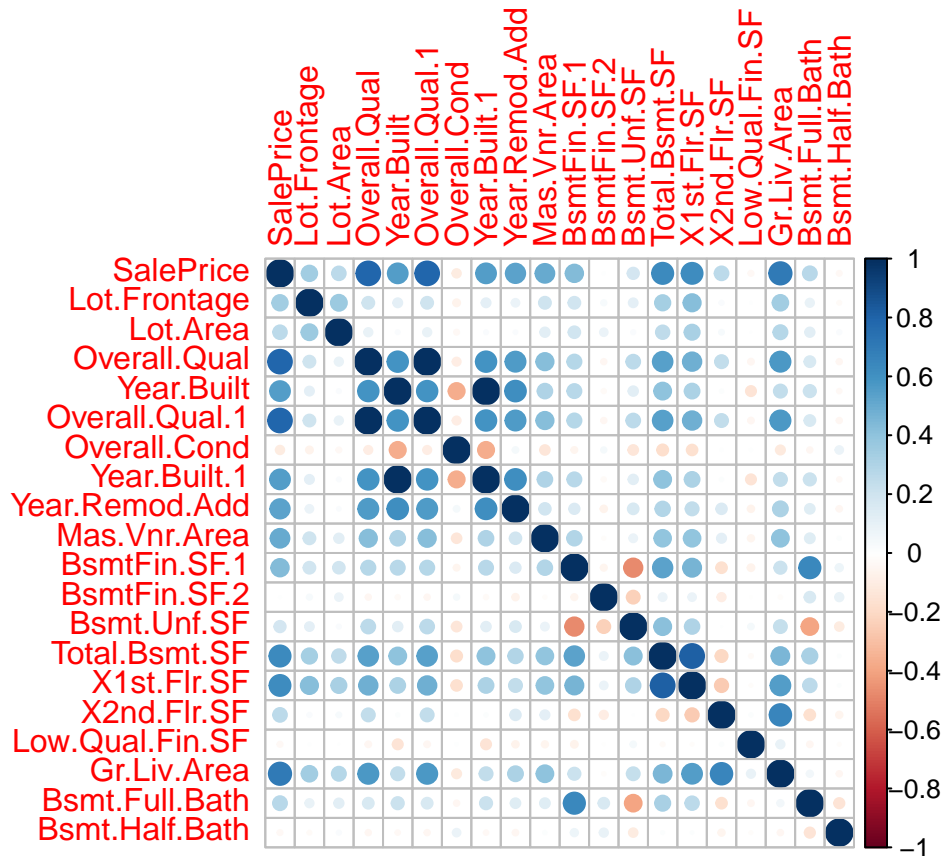
Warning: Removed 2 rows containing non-finite values (`stat_boxplot()`).



Warning: Removed 2 rows containing non-finite values (`stat_boxplot()`).



```
# Correlation plot for selected continuous variables  
continuous_data <- housing[, selected_vars]  
corrplot(cor(continuous_data, use = "complete.obs"), method = "circle")
```



#Requirement 2: Regression Model and Diagnostics

Split Data into Training and Testing Sets

```
set.seed(2023)
```

```
test_indices <- sample(nrow(housing), round(nrow(housing)/4))
```

```
train_set <- housing[-test_indices, ]
```

```
test_set <- housing[test_indices, ]
```

Check for Highly Correlated Predictors

```
corr_matrix <- cor(train_set[, selected_vars], use = "complete.obs")
```

```
high_corr <- findCorrelation(corr_matrix, cutoff = 0.75)
```

```
high_corr_vars <- names(train_set[, selected_vars])[high_corr]
```

```
high_corr_vars
```

```
## [1] "SalePrice"      "Overall.Qual"   "Total.Bsmt.SF" "Year.Built"
```

```
selected_high_corr_vars <- setdiff(selected_vars, c("SalePrice", "Overall.Qual", "Year.Built", "Total.Bsmt.SF"))
```

Fit Regression Model and Perform Diagnostics

```
lm_model <- lm(SalePrice ~ ., data = train_set[, selected_vars])
```

```
summary(lm_model)
```

```
##
```

```
## Call:
```

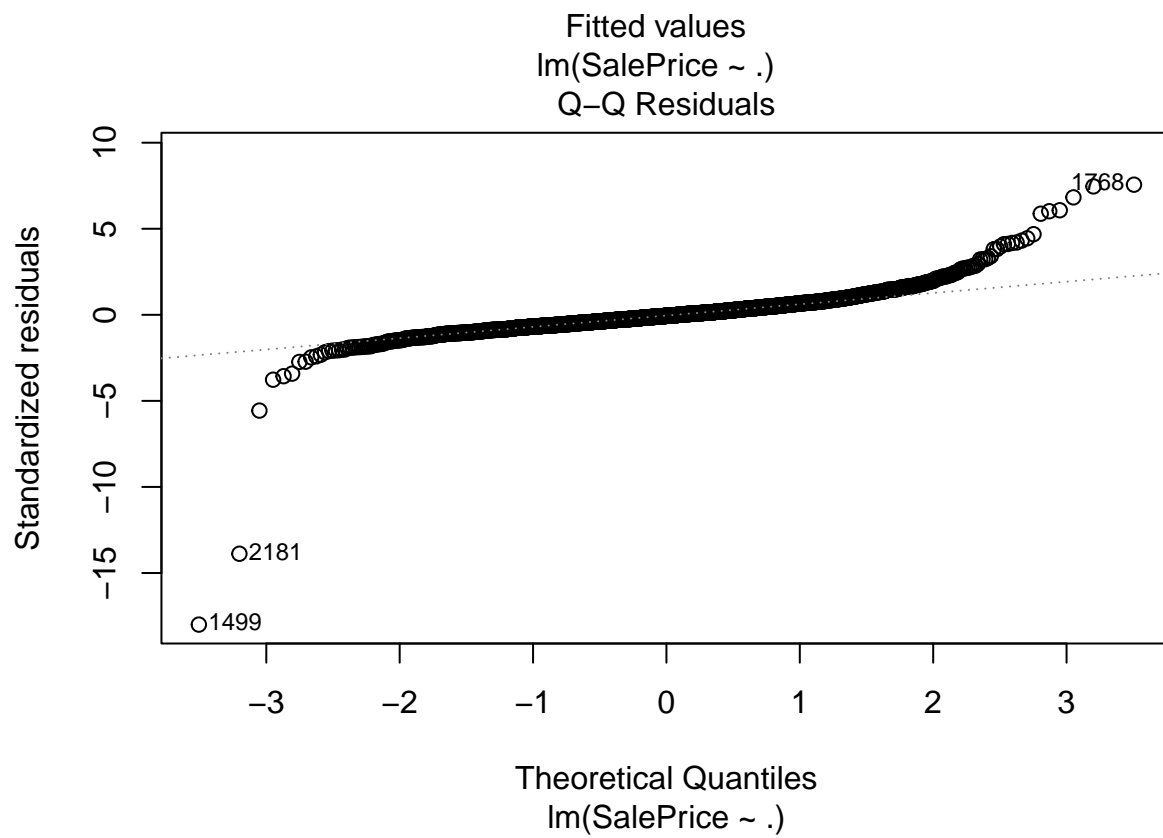
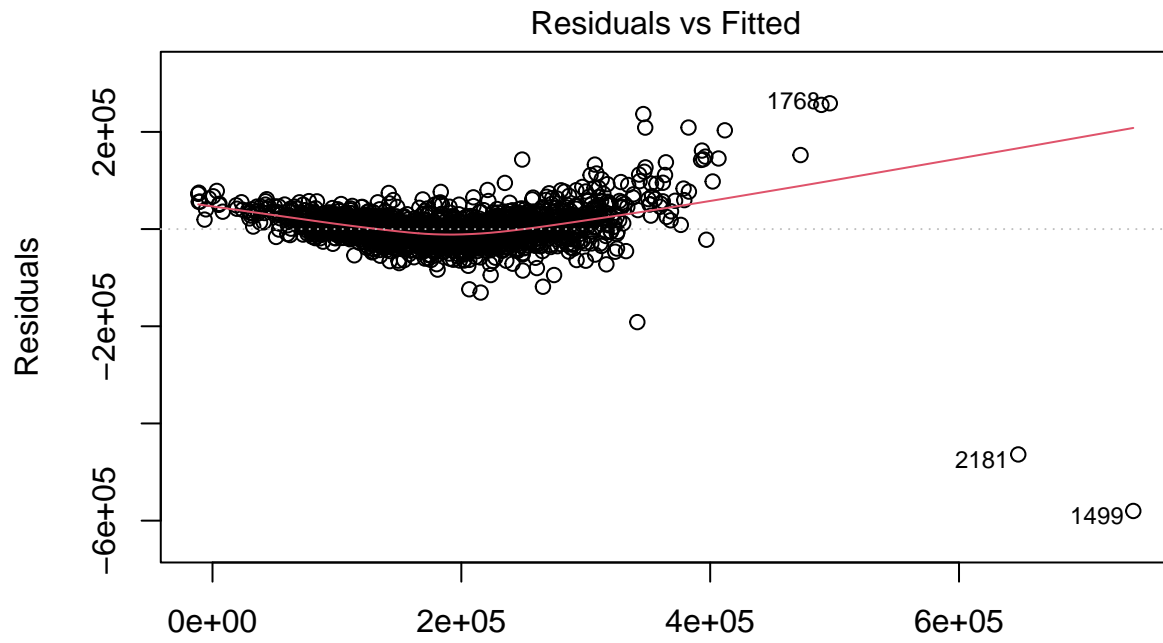
```
## lm(formula = SalePrice ~ ., data = train_set[, selected_vars])
```

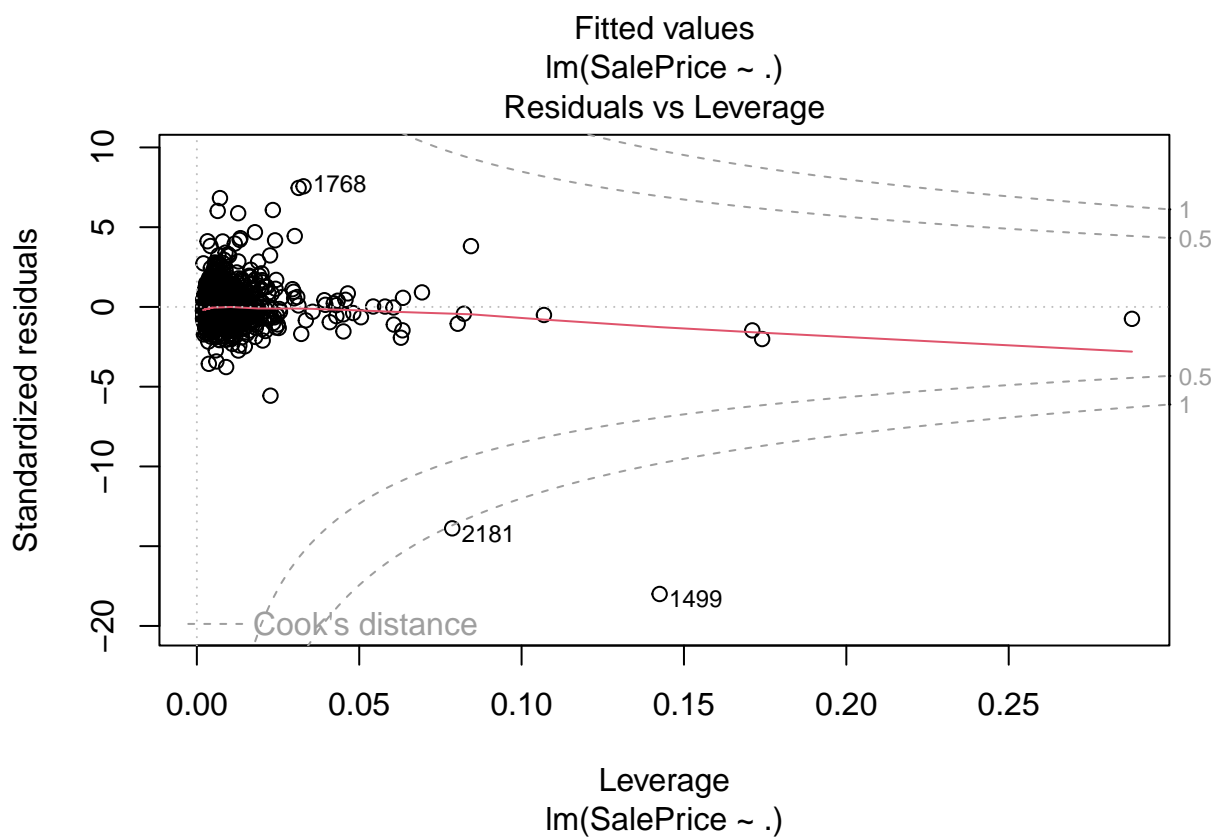
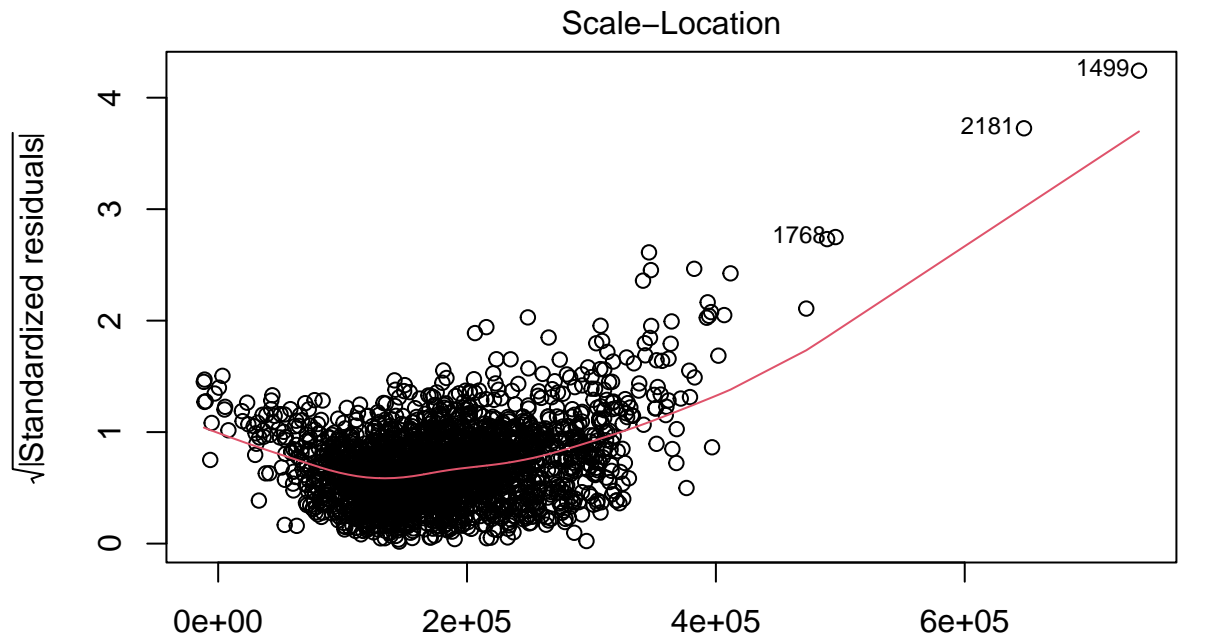
```
##
```

```
## Residuals:
```

```
##      Min       1Q   Median       3Q      Max
```

```
## -580068 -16912 -2103 13834 258855
##
## Coefficients: (4 not defined because of singularities)
##           Estimate Std. Error t value Pr(>|t|)
## (Intercept) -1.282e+06  9.001e+04 -14.238 < 2e-16 ***
## Lot.Frontage  1.064e+02  3.959e+01   2.688 0.007232 **
## Lot.Area      6.196e-01  9.524e-02   6.506 9.55e-11 ***
## Overall.Qual  2.101e+04  8.669e+02  24.233 < 2e-16 ***
## Year.Built    3.851e+02  4.039e+01   9.534 < 2e-16 ***
## Overall.Qual.1      NA         NA      NA      NA
## Overall.Cond  4.685e+03  7.951e+02   5.893 4.38e-09 ***
## Year.Built.1      NA         NA      NA      NA
## Year.Remod.Add  2.136e+02  5.168e+01   4.132 3.72e-05 ***
## Mas.Vnr.Area  2.862e+01  4.747e+00   6.029 1.93e-09 ***
## BsmtFin.SF.1  2.403e+01  3.618e+00   6.643 3.87e-11 ***
## BsmtFin.SF.2  1.613e+01  5.513e+00   2.925 0.003478 **
## Bsmt.Unf.SF    1.058e+01  3.216e+00   3.289 0.001022 **
## Total.Bsmt.SF      NA         NA      NA      NA
## X1st.Flr.SF    6.077e+01  3.619e+00  16.791 < 2e-16 ***
## X2nd.Flr.SF    5.246e+01  2.137e+00  24.553 < 2e-16 ***
## Low.Qual.Fin.SF 2.733e+01  1.640e+01   1.667 0.095749 .
## Gr.Liv.Area     NA         NA      NA      NA
## Bsmt.Full.Bath  7.368e+03  2.056e+03   3.583 0.000347 ***
## Bsmt.Half.Bath -4.544e+03  3.355e+03  -1.354 0.175735
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 34810 on 2180 degrees of freedom
## (2 observations deleted due to missingness)
## Multiple R-squared:  0.8062, Adjusted R-squared:  0.8048
## F-statistic: 604.5 on 15 and 2180 DF, p-value: < 2.2e-16
# Diagnostics: Check for assumptions, outliers, and multicollinearity
plot(lm_model)
```



```
#Requirement 3: Model Fitting and Comparison
# Assuming 'selected_vars' contains the names of your predictors and excludes 'SalePrice'
# Ensure the training set does not have missing values in the selected variables
train_set_clean <- na.omit(train_set[, c(selected_vars, "SalePrice")])

# Create the model matrix for predictors
```

```

x <- model.matrix(~ ., data = train_set_clean[, selected_vars])

# Create the response vector
y <- train_set_clean$SalePrice

# Check if the number of rows in x matches the length of y
nrow(x) == length(y)

## [1] TRUE

# Fit AIC model
aic_model <- step(lm(SalePrice ~ ., data = train_set[, selected_vars]), direction = "both", criterion =

## Start: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Built.1 + Year.Remod.Add +
## Mas.Vnr.Area + BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF +
## Total.Bsmt.SF + X1st.Flr.SF + X2nd.Flr.SF + Low.Qual.Fin.SF +
## Gr.Liv.Area + Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Built.1 + Year.Remod.Add +
## Mas.Vnr.Area + BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF +
## Total.Bsmt.SF + X1st.Flr.SF + X2nd.Flr.SF + Low.Qual.Fin.SF +
## Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Built.1 + Year.Remod.Add +
## Mas.Vnr.Area + BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF +
## X1st.Flr.SF + X2nd.Flr.SF + Low.Qual.Fin.SF + Bsmt.Full.Bath +
## Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Remod.Add + Mas.Vnr.Area +
## BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF +
## X2nd.Flr.SF + Low.Qual.Fin.SF + Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Cond + Year.Remod.Add + Mas.Vnr.Area + BsmtFin.SF.1 +
## BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF + X2nd.Flr.SF +
## Low.Qual.Fin.SF + Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
## Df Sum of Sq RSS AIC
## - Bsmt.Half.Bath 1 2.2226e+09 2.6434e+12 45945
## <none> 2.6412e+12 45946
## - Low.Qual.Fin.SF 1 3.3649e+09 2.6445e+12 45946

```

```

## - Lot.Frontage      1 8.7570e+09 2.6499e+12 45951
## - BsmtFin.SF.2      1 1.0367e+10 2.6515e+12 45952
## - Bsmt.Unf.SF       1 1.3105e+10 2.6543e+12 45955
## - Bsmt.Full.Bath    1 1.5556e+10 2.6567e+12 45957
## - Year.Remod.Add    1 2.0690e+10 2.6619e+12 45961
## - Overall.Cond      1 4.2075e+10 2.6832e+12 45978
## - Mas.Vnr.Area      1 4.4035e+10 2.6852e+12 45980
## - Lot.Area          1 5.1280e+10 2.6924e+12 45986
## - BsmtFin.SF.1      1 5.3463e+10 2.6946e+12 45988
## - Year.Built        1 1.1014e+11 2.7513e+12 46033
## - X1st.Flr.SF       1 3.4160e+11 2.9828e+12 46211
## - Overall.Qual      1 7.1146e+11 3.3526e+12 46467
## - X2nd.Flr.SF       1 7.3035e+11 3.3715e+12 46480
##
## Step: AIC=45945.48
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Cond + Year.Remod.Add + Mas.Vnr.Area + BsmtFin.SF.1 +
## BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF + X2nd.Flr.SF +
## Low.Qual.Fin.SF + Bsmt.Full.Bath
##
##           Df Sum of Sq      RSS   AIC
## <none>                2.6434e+12 45945
## + Bsmt.Half.Bath      1 2.2226e+09 2.6412e+12 45946
## - Low.Qual.Fin.SF     1 3.3661e+09 2.6468e+12 45946
## - BsmtFin.SF.2        1 9.0867e+09 2.6525e+12 45951
## - Lot.Frontage        1 9.1020e+09 2.6525e+12 45951
## - Bsmt.Unf.SF         1 1.3132e+10 2.6565e+12 45954
## - Year.Remod.Add      1 2.0769e+10 2.6642e+12 45961
## - Bsmt.Full.Bath      1 2.1068e+10 2.6645e+12 45961
## - Overall.Cond        1 4.0931e+10 2.6843e+12 45977
## - Mas.Vnr.Area        1 4.3803e+10 2.6872e+12 45980
## - Lot.Area            1 5.0522e+10 2.6939e+12 45985
## - BsmtFin.SF.1        1 5.1292e+10 2.6947e+12 45986
## - Year.Built          1 1.0959e+11 2.7530e+12 46033
## - X1st.Flr.SF         1 3.4457e+11 2.9880e+12 46213
## - Overall.Qual        1 7.1269e+11 3.3561e+12 46468
## - X2nd.Flr.SF         1 7.3397e+11 3.3773e+12 46482
##
## Fit BIC model
bic_model <- step(lm(SalePrice ~ ., data = train_set[, selected_vars]), direction = "both", criterion =
##
## Start: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Built.1 + Year.Remod.Add +
## Mas.Vnr.Area + BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF +
## Total.Bsmt.SF + X1st.Flr.SF + X2nd.Flr.SF + Low.Qual.Fin.SF +
## Gr.Liv.Area + Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Built.1 + Year.Remod.Add +
## Mas.Vnr.Area + BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF +
## Total.Bsmt.SF + X1st.Flr.SF + X2nd.Flr.SF + Low.Qual.Fin.SF +
## Bsmt.Full.Bath + Bsmt.Half.Bath

```

```

##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Built.1 + Year.Remod.Add +
## Mas.Vnr.Area + BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF +
## X1st.Flr.SF + X2nd.Flr.SF + Low.Qual.Fin.SF + Bsmt.Full.Bath +
## Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Qual.1 + Overall.Cond + Year.Remod.Add + Mas.Vnr.Area +
## BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF +
## X2nd.Flr.SF + Low.Qual.Fin.SF + Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
## Step: AIC=45945.63
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Cond + Year.Remod.Add + Mas.Vnr.Area + BsmtFin.SF.1 +
## BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF + X2nd.Flr.SF +
## Low.Qual.Fin.SF + Bsmt.Full.Bath + Bsmt.Half.Bath
##
##
##          Df Sum of Sq      RSS   AIC
## - Bsmt.Half.Bath  1 2.2226e+09 2.6434e+12 45945
## <none>                                2.6412e+12 45946
## - Low.Qual.Fin.SF  1 3.3649e+09 2.6445e+12 45946
## - Lot.Frontage     1 8.7570e+09 2.6499e+12 45951
## - BsmtFin.SF.2     1 1.0367e+10 2.6515e+12 45952
## - Bsmt.Unf.SF      1 1.3105e+10 2.6543e+12 45955
## - Bsmt.Full.Bath   1 1.5556e+10 2.6567e+12 45957
## - Year.Remod.Add   1 2.0690e+10 2.6619e+12 45961
## - Overall.Cond     1 4.2075e+10 2.6832e+12 45978
## - Mas.Vnr.Area     1 4.4035e+10 2.6852e+12 45980
## - Lot.Area         1 5.1280e+10 2.6924e+12 45986
## - BsmtFin.SF.1     1 5.3463e+10 2.6946e+12 45988
## - Year.Built       1 1.1014e+11 2.7513e+12 46033
## - X1st.Flr.SF      1 3.4160e+11 2.9828e+12 46211
## - Overall.Qual     1 7.1146e+11 3.3526e+12 46467
## - X2nd.Flr.SF      1 7.3035e+11 3.3715e+12 46480
##
##
## Step: AIC=45945.48
## SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual + Year.Built +
## Overall.Cond + Year.Remod.Add + Mas.Vnr.Area + BsmtFin.SF.1 +
## BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF + X2nd.Flr.SF +
## Low.Qual.Fin.SF + Bsmt.Full.Bath
##
##
##          Df Sum of Sq      RSS   AIC
## <none>                                2.6434e+12 45945
## + Bsmt.Half.Bath  1 2.2226e+09 2.6412e+12 45946
## - Low.Qual.Fin.SF  1 3.3661e+09 2.6468e+12 45946
## - BsmtFin.SF.2     1 9.0867e+09 2.6525e+12 45951
## - Lot.Frontage     1 9.1020e+09 2.6525e+12 45951
## - Bsmt.Unf.SF      1 1.3132e+10 2.6565e+12 45954

```

```
## - Year.Remod.Add      1 2.0769e+10 2.6642e+12 45961
## - Bsmt.Full.Bath      1 2.1068e+10 2.6645e+12 45961
## - Overall.Cond        1 4.0931e+10 2.6843e+12 45977
## - Mas.Vnr.Area        1 4.3803e+10 2.6872e+12 45980
## - Lot.Area            1 5.0522e+10 2.6939e+12 45985
## - BsmtFin.SF.1        1 5.1292e+10 2.6947e+12 45986
## - Year.Built          1 1.0959e+11 2.7530e+12 46033
## - X1st.Flr.SF         1 3.4457e+11 2.9880e+12 46213
## - Overall.Qual        1 7.1269e+11 3.3561e+12 46468
## - X2nd.Flr.SF         1 7.3397e+11 3.3773e+12 46482
```

```
# Fit Lasso model
```

```
lasso_model <- glmnet(x, y, alpha = 1)
```

```
# Fit Elastic Net model
```

```
elastic_net_model <- glmnet(x, y, alpha = 0.5)
```

```
# Summarize AIC and BIC models
```

```
summary(aic_model)
```

```
##
```

```
## Call:
```

```
## lm(formula = SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual +
##      Year.Built + Overall.Cond + Year.Remod.Add + Mas.Vnr.Area +
##      BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF +
##      X2nd.Flr.SF + Low.Qual.Fin.SF + Bsmt.Full.Bath, data = train_set[,
##      selected_vars])
```

```
##
```

```
## Residuals:
```

```
##      Min       1Q   Median       3Q      Max
## -577788 -17002   -2041   13882  256052
```

```
##
```

```
## Coefficients:
```

```
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  -1.281e+06  9.002e+04 -14.224  < 2e-16 ***
## Lot.Frontage    1.084e+02  3.957e+01   2.740  0.00619 **
## Lot.Area        6.146e-01  9.519e-02   6.456  1.32e-10 ***
## Overall.Qual    2.102e+04  8.670e+02  24.249  < 2e-16 ***
## Year.Built      3.841e+02  4.039e+01   9.509  < 2e-16 ***
## Overall.Cond    4.610e+03  7.932e+02   5.811  7.11e-09 ***
## Year.Remod.Add  2.140e+02  5.169e+01   4.140  3.61e-05 ***
## Mas.Vnr.Area    2.854e+01  4.748e+00   6.012  2.15e-09 ***
## BsmtFin.SF.1    2.318e+01  3.564e+00   6.505  9.58e-11 ***
## BsmtFin.SF.2    1.489e+01  5.438e+00   2.738  0.00623 **
## Bsmt.Unf.SF     1.059e+01  3.217e+00   3.292  0.00101 **
## X1st.Flr.SF     6.098e+01  3.616e+00  16.861  < 2e-16 ***
## X2nd.Flr.SF     5.256e+01  2.136e+00  24.609  < 2e-16 ***
## Low.Qual.Fin.SF 2.734e+01  1.640e+01   1.667  0.09575 .
## Bsmt.Full.Bath  8.192e+03  1.965e+03   4.169  3.18e-05 ***
```

```
## ---
```

```
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
```

```
##
```

```
## Residual standard error: 34810 on 2181 degrees of freedom
```

```
## (2 observations deleted due to missingness)
```

```
## Multiple R-squared:  0.806, Adjusted R-squared:  0.8048
```

```
## F-statistic: 647.3 on 14 and 2181 DF, p-value: < 2.2e-16
```

```
summary(bic_model)
```

```
##
```

```
## Call:
```

```
## lm(formula = SalePrice ~ Lot.Frontage + Lot.Area + Overall.Qual +  
##      Year.Built + Overall.Cond + Year.Remod.Add + Mas.Vnr.Area +  
##      BsmtFin.SF.1 + BsmtFin.SF.2 + Bsmt.Unf.SF + X1st.Flr.SF +  
##      X2nd.Flr.SF + Low.Qual.Fin.SF + Bsmt.Full.Bath, data = train_set[,  
##      selected_vars])
```

```
##
```

```
## Residuals:
```

```
##      Min       1Q   Median       3Q      Max  
## -577788 -17002   -2041   13882  256052
```

```
##
```

```
## Coefficients:
```

```
##              Estimate Std. Error t value Pr(>|t|)  
## (Intercept)  -1.281e+06  9.002e+04 -14.224 < 2e-16 ***  
## Lot.Frontage   1.084e+02  3.957e+01   2.740  0.00619 **  
## Lot.Area       6.146e-01  9.519e-02   6.456  1.32e-10 ***  
## Overall.Qual   2.102e+04  8.670e+02  24.249 < 2e-16 ***  
## Year.Built     3.841e+02  4.039e+01   9.509 < 2e-16 ***  
## Overall.Cond   4.610e+03  7.932e+02   5.811  7.11e-09 ***  
## Year.Remod.Add  2.140e+02  5.169e+01   4.140  3.61e-05 ***  
## Mas.Vnr.Area   2.854e+01  4.748e+00   6.012  2.15e-09 ***  
## BsmtFin.SF.1    2.318e+01  3.564e+00   6.505  9.58e-11 ***  
## BsmtFin.SF.2    1.489e+01  5.438e+00   2.738  0.00623 **  
## Bsmt.Unf.SF     1.059e+01  3.217e+00   3.292  0.00101 **  
## X1st.Flr.SF     6.098e+01  3.616e+00  16.861 < 2e-16 ***  
## X2nd.Flr.SF     5.256e+01  2.136e+00  24.609 < 2e-16 ***  
## Low.Qual.Fin.SF 2.734e+01  1.640e+01   1.667  0.09575 .  
## Bsmt.Full.Bath  8.192e+03  1.965e+03   4.169  3.18e-05 ***
```

```
## ---
```

```
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
```

```
##
```

```
## Residual standard error: 34810 on 2181 degrees of freedom
```

```
## (2 observations deleted due to missingness)
```

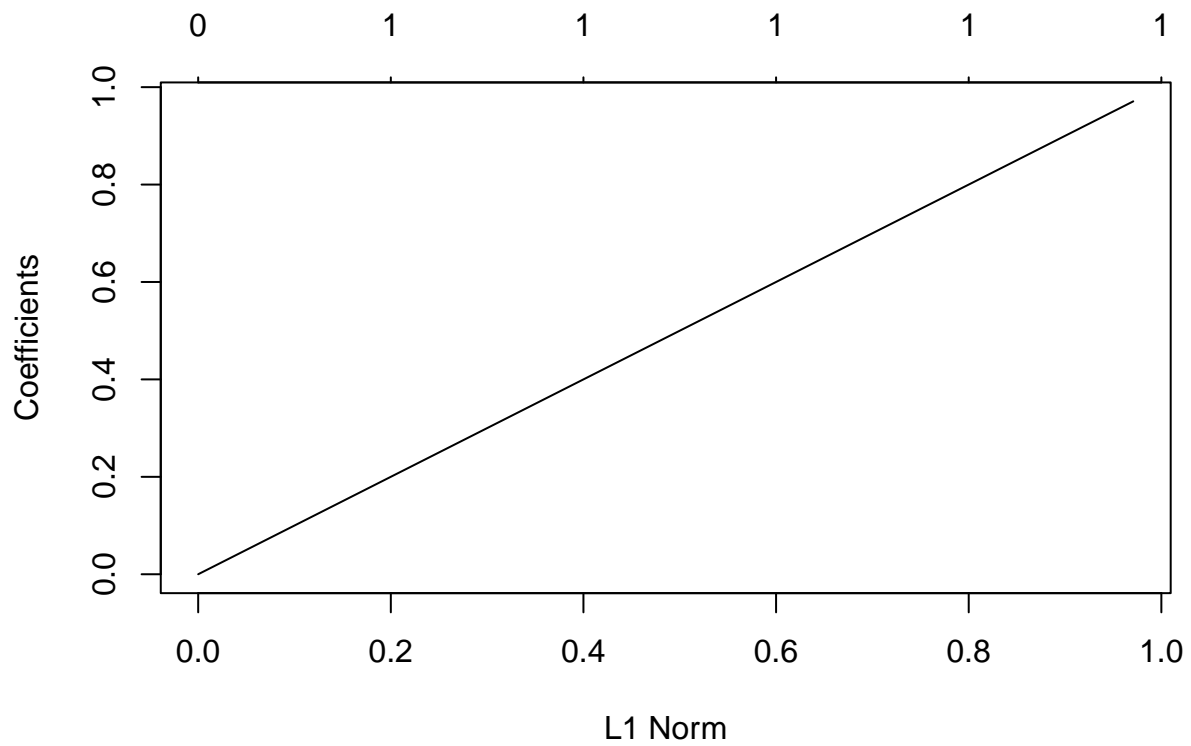
```
## Multiple R-squared:  0.806, Adjusted R-squared:  0.8048
```

```
## F-statistic: 647.3 on 14 and 2181 DF, p-value: < 2.2e-16
```

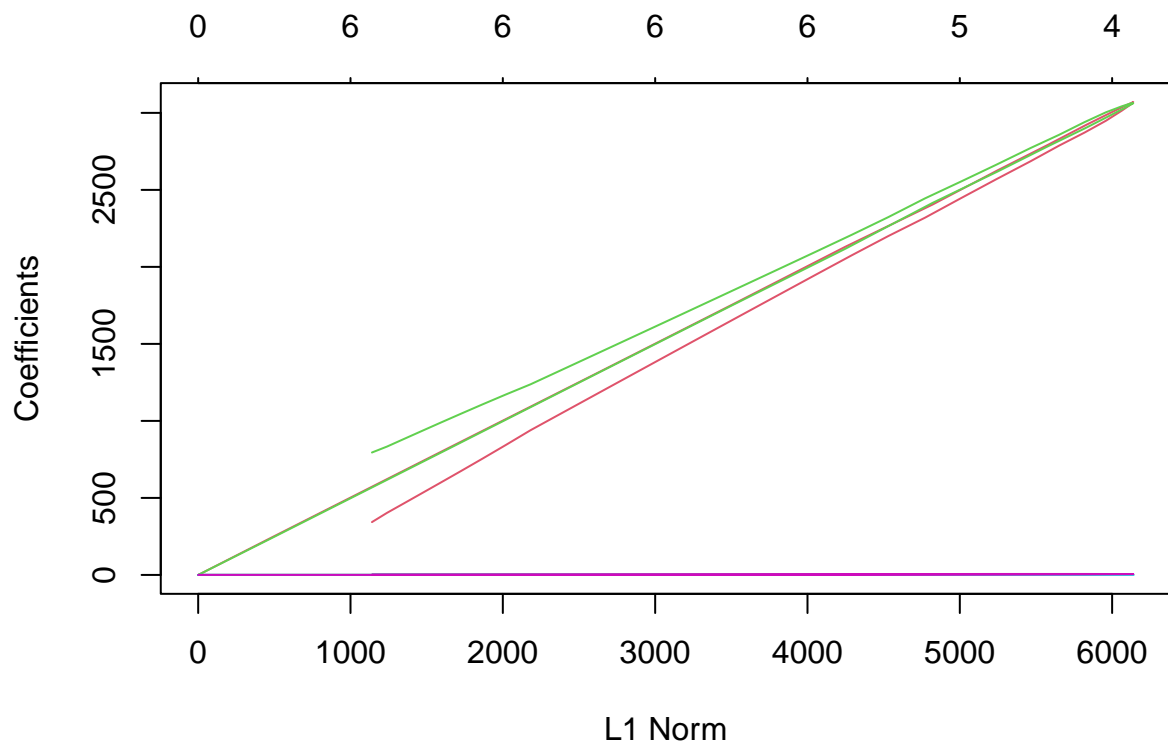
```
# Plot Lasso and Elastic Net models
```

```
plot(lasso_model)
```

```
## Warning in plotCoef(x$beta, lambda = x$lambda, df = x$df, dev = x$dev.ratio, :  
## 1 or less nonzero coefficients; glmnet plot is not meaningful
```



```
plot(elastic_net_model)
```



```
#Requirement 4: Calculate Mean Prediction Error
# Prepare Testing Data
x_test <- model.matrix(~ ., data = test_set[, selected_vars])
y_test <- test_set$SalePrice
```



```

# Calculate Mean Prediction Error
predict_error <- function(model, x, y) {
  predictions <- predict(model, newx = x)
  mean((predictions - y)^2)
}

# Calculate mean prediction error for each model
mean_error_aic <- predict_error(aic_model, x_test, y_test)
mean_error_bic <- predict_error(bic_model, x_test, y_test)
mean_error_lasso <- predict_error(lasso_model, x_test, y_test)
mean_error_elastic_net <- predict_error(elastic_net_model, x_test, y_test)

# Output the errors
c(AIC = mean_error_aic, BIC = mean_error_bic, Lasso = mean_error_lasso, ElasticNet = mean_error_elastic)

##           AIC           BIC           Lasso ElasticNet
## 11536668354 11536668354 1040106431 1272404579

```