

Analysis of Floor Area and House Prices in Aranda (1999)

The table below shows the size of the floor area (in hectares) and the sale prices (in \$A000) for 15 houses sold in the Canberra suburb of Aranda in 1999.

Sale	Area (ha)	Price (\$A000)
1	694.0	192.0
2	905.0	215.0
3	802.0	215.0
4	1366.0	274.0
5	716.0	112.7
6	963.0	185.0
7	821.0	212.0
8	714.0	220.0
9	1018.0	276.0
10	887.0	260.0
11	790.0	221.5
12	696.0	255.0
13	771.0	260.0
14	1006.0	293.0
15	1191.0	375.0

Data Analysis

(a) Scatter plot of Sale Price versus Area.

(b) Histogram of Sale Prices using the `hist()` command.

(c) Scatter and Histogram after taking logarithms of Sale Prices.

(d) The two histograms emphasize different parts of the range of sale prices. The original histogram shows absolute price differences while the log-transformed histogram emphasizes relative differences, especially in lower price ranges.

