

Note- Detailed Tables are Created in attached Excel File.

Q1-Ans

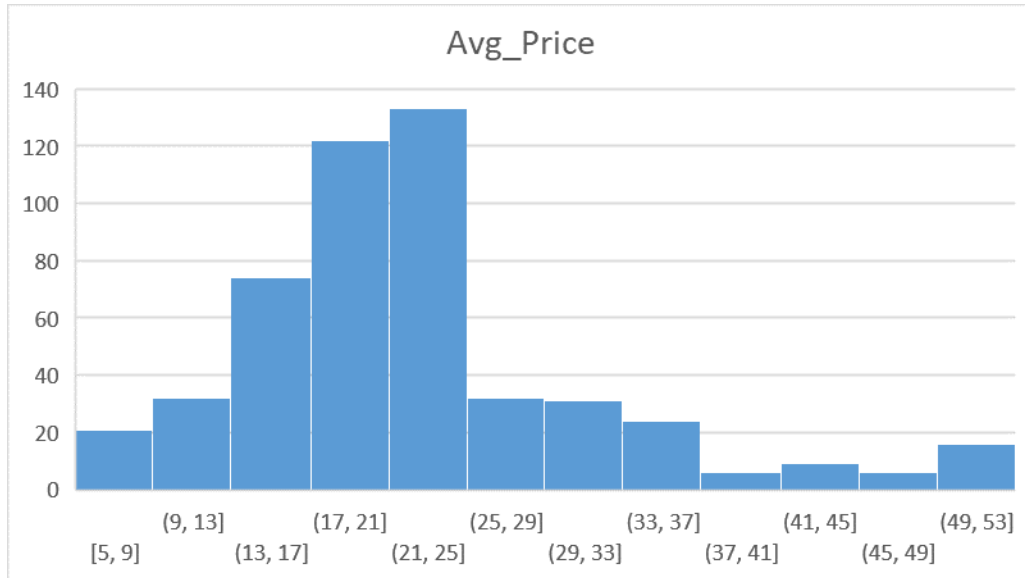
CRIME_RATE		AGE		INDUS		NOX		DISTANCE	
Mean	4.871976	Mean	68.5749	Mean	11.13678	Mean	0.554695	Mean	9.549407
Standard Error	0.12986	Standard Error	1.25137	Standard Error	0.30498	Standard Error	0.005151	Standard Error	0.387085
Median	4.82	Median	77.5	Median	9.69	Median	0.538	Median	5
Mode	3.43	Mode	100	Mode	18.1	Mode	0.538	Mode	24
Standard Deviation	2.921132	Standard Deviation	28.14886	Standard Deviation	6.860353	Standard Deviation	0.115878	Standard Deviation	8.707259
Sample Variance	8.533012	Sample Variance	792.3584	Sample Variance	47.06444	Sample Variance	0.013428	Sample Variance	75.81637
Kurtosis	-1.18912	Kurtosis	-0.96772	Kurtosis	-1.23354	Kurtosis	-0.06467	Kurtosis	-0.86723
Skewness	0.021728	Skewness	-0.59896	Skewness	0.295022	Skewness	0.729308	Skewness	1.004815
Range	9.95	Range	97.1	Range	27.28	Range	0.486	Range	23
Minimum	0.04	Minimum	2.9	Minimum	0.46	Minimum	0.385	Minimum	1
Maximum	9.99	Maximum	100	Maximum	27.74	Maximum	0.871	Maximum	24
Sum	2465.22	Sum	34698.9	Sum	5635.21	Sum	280.6757	Sum	4832
Count	506	Count	506	Count	506	Count	506	Count	506
TAX		PTRATIO		AVG_ROOM		LSTAT		AVG_PRICE	
Mean	408.2372	Mean	18.45553	Mean	6.284634	Mean	12.65306	Mean	22.53281
Standard Error	7.492389	Standard Error	0.096244	Standard Error	0.031235	Standard Error	0.317459	Standard Error	0.408861
Median	330	Median	19.05	Median	6.2085	Median	11.36	Median	21.2
Mode	666	Mode	20.2	Mode	5.713	Mode	8.05	Mode	50
Standard Deviation	168.5371	Standard Deviation	2.164946	Standard Deviation	0.702617	Standard Deviation	7.141062	Standard Deviation	9.197104
Sample Variance	28404.76	Sample Variance	4.686989	Sample Variance	0.493671	Sample Variance	50.99476	Sample Variance	84.58672
Kurtosis	-1.14241	Kurtosis	-0.28509	Kurtosis	1.8915	Kurtosis	0.49324	Kurtosis	1.495197
Skewness	0.669956	Skewness	-0.80232	Skewness	0.403612	Skewness	0.90646	Skewness	1.108098
Range	524	Range	9.4	Range	5.219	Range	36.24	Range	45
Minimum	187	Minimum	12.6	Minimum	3.561	Minimum	1.73	Minimum	5
Maximum	711	Maximum	22	Maximum	8.78	Maximum	37.97	Maximum	50
Sum	206568	Sum	9338.5	Sum	3180.025	Sum	6402.45	Sum	11401.6
Count	506	Count	506	Count	506	Count	506	Count	506

From the Summary Statistics it Observed That.

1. Avg_Room, LSTAT and Avg_Price having postive Kurtosis. Which means they are having Sharp peakedness.

2. Age and PTratio having negative Skewness. Which means they are Left Skew, there Peak lies on right side.

Q2-Ans



The Histogram of Avg_Price

1. The Peakedness lying to the left side.
2. Observations represents 'trailing off' to the right.
3. It Conclude that its a Positive Skew.

Q3-Ans

<i>Covariance</i>	<i>CRIME_RATE</i>	<i>AGE</i>	<i>INDUS</i>	<i>NOX</i>	<i>DISTANCE</i>	<i>TAX</i>	<i>PTRATIO</i>	<i>AVG_ROOM</i>	<i>LSTAT</i>	<i>AVG_PRICE</i>
CRIME_RATE	8.516147873									
AGE	0.562915215	790.7925								
INDUS	-0.11021518	124.2678	46.97143							
NOX	0.000625308	2.381212	0.605874	0.013401						
DISTANCE	-0.22986049	111.55	35.47971	0.61571	75.66653					
TAX	-8.22932244	2397.942	831.7133	13.0205	1333.117	28348.62				
PTRATIO	0.068168906	15.90543	5.680855	0.047304	8.743402	167.8208	4.677726			
AVG_ROOM	0.056117778	-4.74254	-1.88423	-0.02455	-1.28128	-34.5151	-0.53969	0.492695216		
LSTAT	-0.88268036	120.8384	29.52181	0.48798	30.32539	653.4206	5.7713	-3.07365497	50.893979	
AVG_PRICE	1.16201224	-97.3962	-30.4605	-0.45451	-30.5008	-724.82	-10.0907	4.484565552	-48.351792	84.4195562

The data is not Standardized into scale of -1 to +1.

With the help of Covariance table we can Observe that some values are Positive and some are Negative.

Positive values indicates that the relatipship between them is Positive they are either increaing or decreasing mostly together.

Negative values indicates that the relationship between them is Negative they mostly moving in opposite direction.

Q4-Ans

Correlation	CRIME_RATE	AGE	INDUS	NOX	DISTANCE	TAX	PTRATIO	AVG_ROOM	LSTAT	AVG_PRICE
CRIME_RATE	1									
AGE	0.006859463	1								
INDUS	-0.005510651	0.644779	1							
NOX	0.001850982	0.73147	0.763651	1						
DISTANCE	-0.009055049	0.456022	0.595129	0.611441	1					
TAX	-0.016748522	0.506456	0.72076	0.668023	0.910228	1				
PTRATIO	0.010800586	0.261515	0.383248	0.188933	0.464741	0.460853	1			
AVG_ROOM	0.02739616	-0.24026	-0.39168	-0.30219	-0.20985	-0.29205	-0.3555	1		
LSTAT	-0.042398321	0.602339	0.6038	0.590879	0.488676	0.543993	0.374044	-0.61380827	1	
AVG_PRICE	0.043337871	-0.37695	-0.48373	-0.42732	-0.38163	-0.46854	-0.50779	0.695359947	-0.73766	1

	a.	Top 3 positively correlated pairs				b.	Top 3 negatively correlated pairs			
		They are almost Moving together.					They are moving most of the time Opposite.			
	1	Distance and Tax				1	LSTAT and Avg_Price			
	2	Indus and NOX				2	Avg_Room and LSTAT			
	3	Age and NOX				3	PTRatio and Avg_Price			

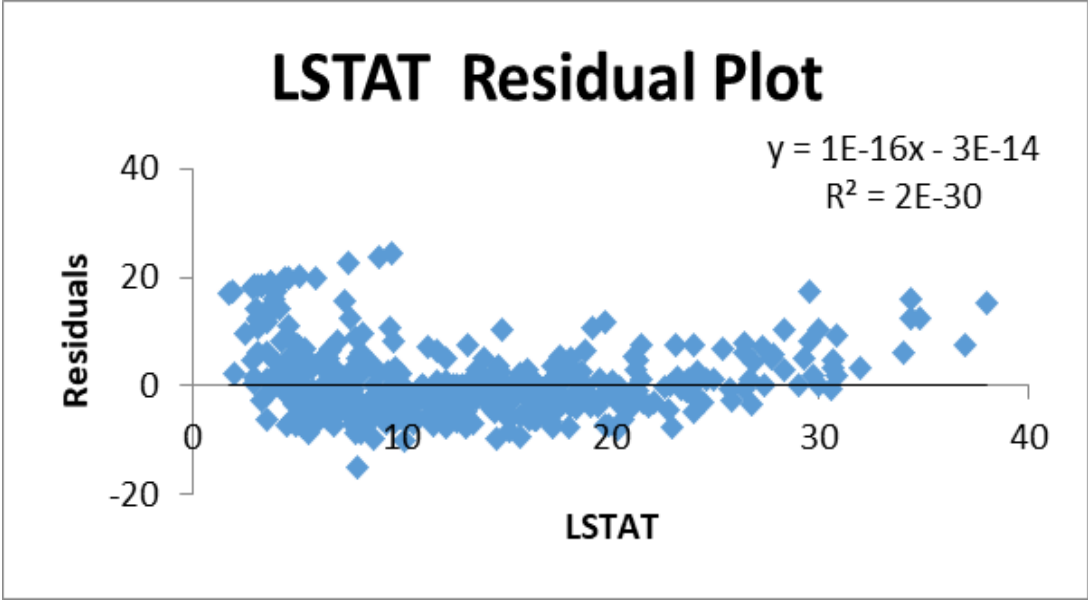
Q5-Ans: RESIDUAL PLOT are created in attached Excel (Q5-Sheet)

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.737663
R Square	0.544146
Adjusted R Square	0.543242
Standard Error	6.21576
Observations	506

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	23243.91	23243.91	601.617871	5.08E-88
Residual	504	19472.38	38.63568		
Total	505	42716.3			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	34.55384	0.562627	61.41515	3.743E-236	33.44846	35.65922	33.44846	35.65922
LSTAT	-0.95005	0.038733	-24.5279	5.08E-88	-1.02615	-0.87395	-1.02615	-0.87395



a. The Multile R value is almost near to +1. Its indicates that both are strong positively Correlated.

The R Square value is good enough which indicates that 54% of the dependent variables (y-value) are explained by the independent variables (x-value).

b. LSTAT variable significant for the analysis as it having P-value less than 0.05.

Q6-Ans

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.7991							
R Square	0.638562							
Adjusted R Square	0.637124							
Standard Error	5.540257							
Observations	506							
ANOVA								
	df	SS	MS	F	Significance F			
Regression	2	27276.99	13638.49	444.3309	7E-112			
Residual	503	15439.31	30.69445					
Total	505	42716.3						
Coefficients								
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-1.35827	3.172828	-0.4281	0.668765	-7.5919	4.875355	-7.5919	4.875355
AVG_ROOM	5.094788	0.444466	11.46273	3.47E-27	4.22155	5.968026	4.22155	5.968026
LSTAT	-0.64236	0.043731	-14.6887	6.67E-41	-0.72828	-0.55644	-0.72828	-0.55644

Chart Title

$y = 9.1021x - 34.671$

Legend: LSTAT (blue dot), AVG_PRICE (orange dot), Linear (AVG_PRICE) (dotted line)

a. Regression equation

$Y = 5.0948 X_1(\text{Average room}) - 0.642 X_2(\text{LSTAT}) - 1.358$

AVG_ROOM 7

L-STAT 20

Avg_Price 21.45808

b. As compare to previous observation the R Square value slightly increased which good that the 63.8% of the dependent variables (y-value) are explained by the independent variables (x-value).

Q6-Ans

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Regression Statistics								
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R Square	0.638562							
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Chart Title

y = 9.1021x - 34.671

LSTAT

AVG_PRICE

Linear (AVG_PRICE)

a. Regression equation

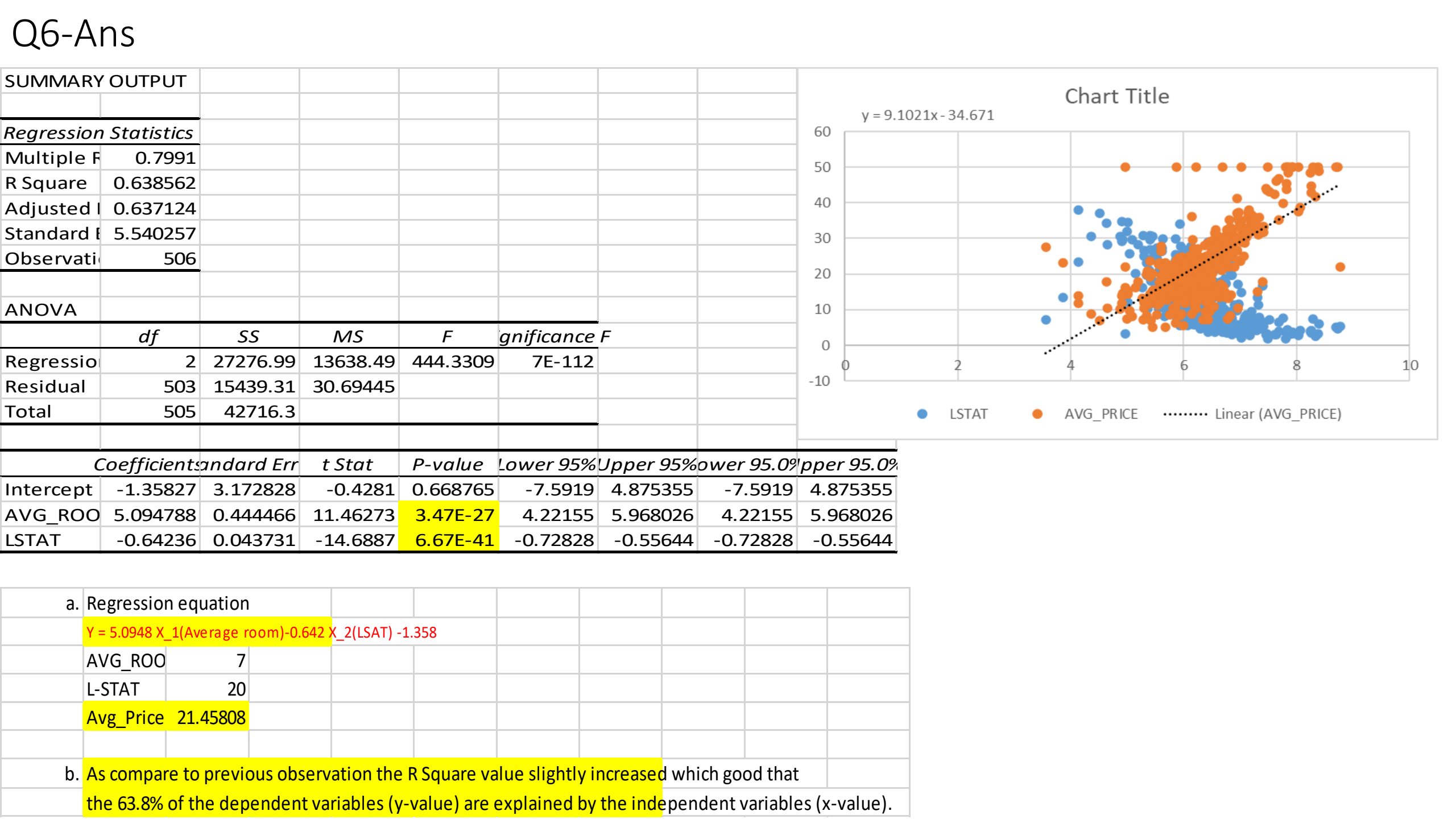
Y = 5.0948 X_1(Average room)-0.642 X_2(LSAT) -1.358

AVG_ROOM7

L-STAT20

Avg_Price21.45808

b. As compare to previous observation the R Square value slightly increased which good that the 63.8% of the dependent variables (y-value) are explained by the independent variables (x-value).



Q6-Ans

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.7991							
R Square	0.638562							
Adjusted R Square	0.637124							
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Regression	2	27276.99	13638.49	444.3309	7E-112			
Residual	503	15439.31	30.69445					
Total	505	42716.3						
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-1.35827	3.172828	-0.4281	0.668765	-7.5919	4.875355	-7.5919	4.875355
AVG_ROOM	5.094788	0.444466	11.46273	3.47E-27	4.22155	5.968026	4.22155	5.968026
LSTAT	-0.64236	0.043731	-14.6887	6.67E-41	-0.72828	-0.55644	-0.72828	-0.55644

a. Regression equation

Y = 5.0948 X_1(Average room)-0.642 X_2(LSAT) -1.358

AVG_ROOM7

L-STAT20

Avg_Price21.45808

b. As compare to previous observation the R Square value slightly increased which good that

the 63.8% of the dependent variables (y-value) are explained by the independent variables (x-value).

Chart Title

y = 9.1021x - 34.671

Legend: LSTAT (blue dot), AVG_PRICE (orange dot), Linear (AVG_PRICE) (dotted line)

Q7-Ans

SUMMARY OUTPUT									
				The Adj R Square value is approximate 0.7 which indicates that the 70% of the y-values are explained by x-values. Which is best.					
Regression Statistics									
Multiple F	0.832979								
R Square	0.693854								
Adjusted R Square	0.688299			As only CRIME_RATE is having P-value greater than 0.05 which indicates that it is Insignificant, all other are significant as their P-value is less than 0.05.					
Standard Error	5.134764								
Observations	506								
ANOVA									
	df	SS	MS	F	Significance F				
Regression	9	29638.86	3293.207	124.9045	1.9E-121				
Residual	496	13077.43	26.3658						
Total	505	42716.3							
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%	
Intercept	29.24132	4.817126	6.070283	2.54E-09	19.77683	38.7058	19.77683	38.7058	
CRIME_RATE	0.048725	0.078419	0.621346	0.534657	-0.10535	0.202799	-0.10535	0.202799	
AGE	0.032771	0.013098	2.501997	0.01267	0.007037	0.058505	0.007037	0.058505	
INDUS	0.130551	0.063117	2.068392	0.039121	0.006541	0.254562	0.006541	0.254562	
NOX	-10.3212	3.894036	-2.65051	0.008294	-17.972	-2.67034	-17.972	-2.67034	
DISTANCE	0.261094	0.067947	3.842603	0.000138	0.127594	0.394593	0.127594	0.394593	
TAX	-0.0144	0.003905	-3.68774	0.000251	-0.02207	-0.00673	-0.02207	-0.00673	
PTRATIO	-1.07431	0.133602	-8.0411	6.59E-15	-1.3368	-0.81181	-1.3368	-0.81181	
AVG_ROOM_SIZE	4.125409	0.442759	9.317505	3.89E-19	3.255495	4.995324	3.255495	4.995324	
LSTAT	-0.60349	0.053081	-11.3691	8.91E-27	-0.70778	-0.49919	-0.70778	-0.49919	

Q8-Ans: The detailed Summary Statistics present in attached Excel (Q8-Sheet)

a.	While observing the accuracy (81.52%) of this model it was a good than other models.																
b.	Q7-R Sqr val	Q8-R Sqr val	The R Sqaure value in this(Q8) regression slightly decreased.														
	0.69385372	0.693615															
	Q7-Adj R Sqr	Q8-Adj R Sqr val	This Regression Model (Q8) performs better														
	0.68829865	0.688684	according to the value of adjusted R-square.														
c.	The coefficient(-10.272) and correlation value(-0.427) of NOX is negative so we can summarise that as the value of NOX increases the value of AVG price decreases, thus they are inversely related.																
d.	Y = 0.0329X_1(Age) + 0.13X_2(Indus) -10.272X_3(NOX) + 0.261X_4(Distance) - 0.0144X_5(Tax) -1.0717X_6(PTRatio) + 4.125 X_7(Avg Room) - 0.605 X_8(LSTAT) + 29.428																