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Scenario

Just as we discussed in linear regression, we can also include several predictors, both continuous and categorical, into our logistic regression model. Our goal is to build the best model we can to explain the relationship between bonus-eligible homes and home features, and eventually we want to be able to predict whether a new home will sell for more than $175,000. To do this, we want to consider a more complex model with many possible predictors to model the relationship jointly, and account for possible interactions between the effects. Instead of building a logistic regression model with Basement_Area only, let's also consider adding in the categorical variables Lot_Shape_2 and Fireplaces. How do these three variables contribute simultaneously to estimate the probability of a bonus-eligible home?

Close