## Data 621 - HW3

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## 4/18/2021

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## Introduction

In this homework assignment, you will explore, analyze and model a data set containing information on crime for various neighborhoods of a major city. Each record has a response variable indicating whether or not the crime rate is above the median crime rate (1) or not (0). Your objective is to build a binary logistic regression model on the training data set to predict whether the neighborhood will be at risk for high crime levels. You will provide classifications and probabilities for the evaluation data set using your binary logistic regression model.

## **Data Exploration**

```
##
     zn indus chas
                                         dis rad tax ptratio lstat medv target
                     nox
                             rm
                                  age
## 1
     0 19.58
                 0 0.605 7.929
                                 96.2 2.0459
                                               5 403
                                                         14.7 3.70 50.0
                                                                               1
     0 19.58
                 1 0.871 5.403 100.0 1.3216
                                               5 403
                                                         14.7 26.82 13.4
                                                                               1
## 3 0 18.10
                 0 0.740 6.485 100.0 1.9784
                                              24 666
                                                         20.2 18.85 15.4
                                                                               1
```

```
## 4 30
         4.93
                  0 0.428 6.393
                                   7.8 7.0355
                                                 6 300
                                                          16.6
                                                                5.19 23.7
                                                                                 0
## 5
      0
                                                                4.82 37.9
                                                                                 0
         2.46
                  0 0.488 7.155
                                  92.2 2.7006
                                                 3 193
                                                          17.8
## 6
     0
         8.56
                  0 0.520 6.781
                                  71.3 2.8561
                                                 5 384
                                                          20.9
                                                                7.67 26.5
                                                                                 0
## [1] 466 13
```

Our dataset has 466 records. Explanation of features:

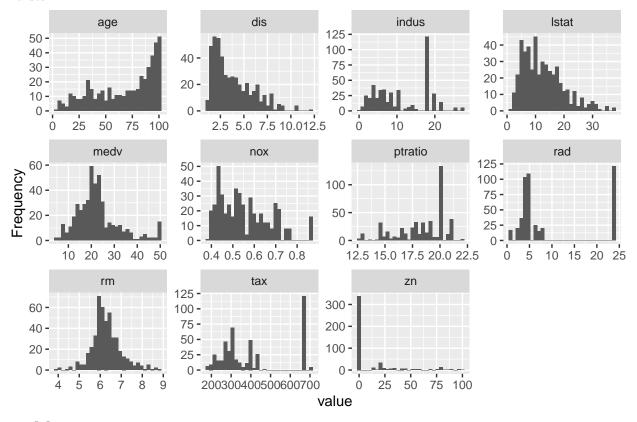
- znn: proportion of residential land zoned for large lots (over 25000 square feet) (predictor variable)
- indus: proportion of non-retail business acres per suburb (predictor variable)
- chas: a dummy var. for whether the suburb borders the Charles River (1) or not (0) (predictor variable)
- nox: nitrogen oxides concentration (parts per 10 million) (predictor variable)
- rm: average number of rooms per dwelling (predictor variable)
- age: proportion of owner-occupied units built prior to 1940 (predictor variable)
- dis: weighted mean of distances to five Boston employment centers (predictor variable)
- rad: index of accessibility to radial highways (predictor variable)
- tax: full-value property-tax rate per \$10,000 (predictor variable)
- ptratio: pupil-teacher ratio by town (predictor variable)
- lstat: lower status of the population (percent) (predictor variable)
- medv: median value of owner-occupied homes in \$1000s (predictor variable)
- target: whether the crime rate is above the median crime rate (1) or not (0) (response variable)

This also appears to be a public dataset available through Carnegie Mellon University http://lib.stat.cmu.e du/datasets/boston. The original white paper was a 1978 study published in the *Journal of Environmental Economics and Management*, which was interested in the marginal price consumers would pay for improved air quality. The communities studied were in the greater Boston area.

```
##
                           indus
                                                                  nox
##
            :
                              : 0.460
    Min.
               0.00
                       Min.
                                         Min.
                                                 :0.00000
                                                             Min.
                                                                     :0.3890
##
    1st Qu.:
               0.00
                       1st Qu.: 5.145
                                         1st Qu.:0.00000
                                                             1st Qu.:0.4480
                                                             Median :0.5380
##
    Median :
              0.00
                       Median: 9.690
                                         Median :0.00000
            : 11.58
                                                 :0.07082
                                                                     :0.5543
    Mean
                       Mean
                              :11.105
                                         Mean
                                                             Mean
##
    3rd Qu.: 16.25
                       3rd Qu.:18.100
                                         3rd Qu.:0.00000
                                                             3rd Qu.:0.6240
            :100.00
##
    Max.
                       Max.
                               :27.740
                                         Max.
                                                 :1.00000
                                                             Max.
                                                                     :0.8710
##
                                              dis
           rm
                           age
                                                                rad
##
    Min.
            :3.863
                     Min.
                             :
                               2.90
                                        Min.
                                                : 1.130
                                                           Min.
                                                                   : 1.00
                      1st Qu.: 43.88
                                        1st Qu.: 2.101
                                                           1st Qu.: 4.00
##
    1st Qu.:5.887
##
    Median :6.210
                     Median: 77.15
                                        Median : 3.191
                                                           Median: 5.00
##
    Mean
            :6.291
                     Mean
                             : 68.37
                                        Mean
                                                : 3.796
                                                           Mean
                                                                   : 9.53
##
    3rd Qu.:6.630
                     3rd Qu.: 94.10
                                        3rd Qu.: 5.215
                                                           3rd Qu.:24.00
##
    Max.
            :8.780
                     Max.
                             :100.00
                                        Max.
                                                :12.127
                                                           Max.
                                                                   :24.00
##
         tax
                         ptratio
                                          1stat
                                                              medv
##
    Min.
            :187.0
                             :12.6
                                      Min.
                                              : 1.730
                                                                 : 5.00
                     Min.
                                                         Min.
##
    1st Qu.:281.0
                      1st Qu.:16.9
                                      1st Qu.: 7.043
                                                         1st Qu.:17.02
##
    Median :334.5
                     Median:18.9
                                      Median :11.350
                                                         Median :21.20
##
    Mean
            :409.5
                             :18.4
                                      Mean
                                              :12.631
                                                                 :22.59
                     Mean
                                                         Mean
##
    3rd Qu.:666.0
                      3rd Qu.:20.2
                                      3rd Qu.:16.930
                                                         3rd Qu.:25.00
##
            :711.0
                             :22.0
                                              :37.970
                                                                 :50.00
    Max.
                     Max.
                                      Max.
                                                         Max.
##
        target
##
            :0.0000
    Min.
##
    1st Qu.:0.0000
##
    Median :0.0000
##
    Mean
            :0.4914
##
    3rd Qu.:1.0000
    Max.
            :1.0000
```

Looking at summary statistics, there are several proportions, like znn, indus, age, and lstat. There is also

a dummy variable, chas, for whether the community borders the Charles River. There are also no missing values.



## [1] NA

Several predictors seem highly skewed and thereby, good candidates for transformation.

#### Unique values and Modes

Looking at feature distributions, no variable appears particularly normal. There are several variables with single overrepresented values, like indus, ptratio, rad, tax, and zn. In the case of zn, this appears to be for communities with no industrial zoning.

The variables indus, ptratio, rad, tax, and zn all have pronounced modes. Lets take a closer look at the proportion of distinct values to see how to treat these variables

- ## [1] "Indus unique values: "
- ## [1] 73
- ## [1] "Ptratio unique values: "
- ## [1] 46
- ## [1] "Rad unique values: "
- ## [1] 9
- ## [1] "Tax unique values: "
- ## [1] 63
- ## [1] "Zn unique values: "
- ## [1] 26

Rad in particular appears to only have 9 unique values. The description of this variable mentions it is an index, so it may be preferable to consider it a categorical variable in the regression.

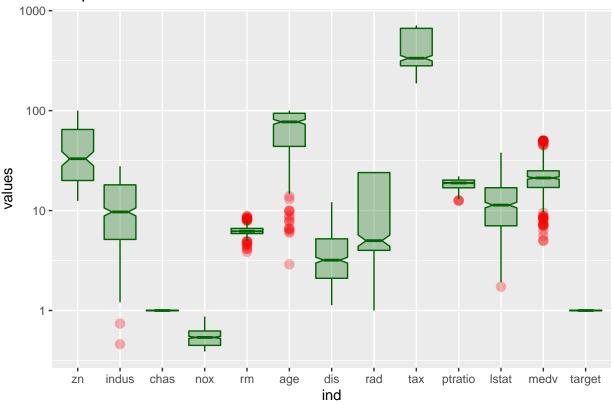
```
## [1] "Indus most common values: "
##
##
                                                                 5.86
    18.1 19.58
                 8.14
                         6.2 21.89
                                      3.97
                                            8.56
                                                    9.9 10.59
     121
                    19
                                                                    9
##
             28
                           16
                                 14
                                        12
                                               11
                                                      11
                                                            10
   [1] "Ptratio most common values: "
##
                21 17.8 19.2 16.6 17.4 18.6 18.4 19.1
##
  20.2 14.7
    128
                23
                      22
                            17
                                       16
                                             16
##
           32
                                 16
                                                  14
   [1] "Rad most common values: "
##
##
##
     24
            5
                  4
                       3
                             6
                                  2
                                        8
                                              1
                                                   7 <NA>
    121
         109
               103
                      36
                            25
                                 20
                                       20
                                             17
                                                  15
##
   [1] "Tax most common values: "
##
## 666 307 403 437 304 264 398 384 277
        35
             28
                 14
                     13
                          12
                              12
                                   11
   [1] "Zn most common values: "
##
##
      0
           20
                80 12.5
                            22
                                 25
                                       40
                                             30
                                                  45
                                                        21
##
    339
           21
                13
                      10
                             9
                                  8
                                        7
                                              6
                                                   6
                                                         4
For 3 of the 5 variables, the mode is represented 121 times. Next, lets see if these variables coincide
## [1] 121
## [1] "Proportion of cluster above median crime rate: "
##
     mean(target)
## 1
## [1] 26
## [1] 53
```

Counting the affected rows confirms that these modes have 100% overlap. This likely represents a cluster of values. And crucially, all 121 of these neighborhoods have above-median crime rates. This cluster represents 26% of all observations and over half of the high crime neighborhoods.

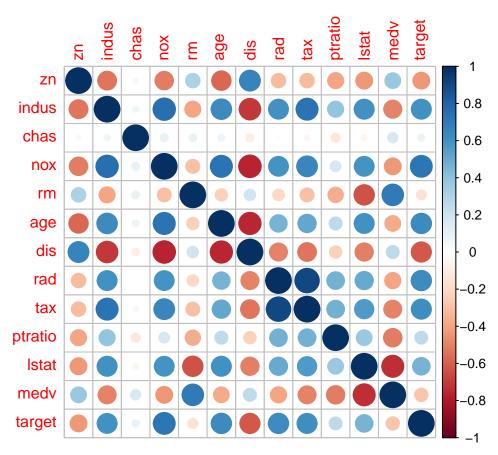
```
##
##
      3
           4
                 5
                      6
                           7
                                8
                                    24
##
      1
          44
               43
                      2
                           2
                               16 121
```

Finally, here's a table looking at each index value for the rad variable. Of the 229 high crime neighborhoods, they are clearly not distributed evenly between the different index levels. For index values of 1 and 2, there are no high crime neighborhoods. It also doesn't appear that there's an increasing or descreasing pattern.

# Boxplot of feature variables



The above notched boxplots of feature variables confirms the skewness shown in corresponsding histograms. The notch displays the confidence interval around the median.



Our target variable, crime rate > median, has several strong correlations with predictors. These include NO concentrations, age of dwellings, accessibility to highways, and property tax rate. It is negatively correlated with distance to metro employment centers. There are also some variables that are strongly correlated with other predictors, including indus, nox, age, and dis. In particular, access to highways and property tax rate appear strongly correlated.

#### Outliers

There appears to be a single outlier in our initial model, observation #338.

```
## zn indus chas nox rm age dis rad tax ptratio lstat medv target ## 338 20 6.96 0 0.464 5.856 42.1 4.429 3 223 18.6 13 21.1 1
```

Looking back to our look at the rad variable, this appears to be the single high crime area with a rad value of 3.

# **Data Preparation**

Without any transformations, it appears NO concentrations are a strong predictor of crime. Nearby highways are also correlated.

#### Zero Inflation

From a glance at the histogram for predictor 'zn', it seems like the number 0 occurs more frequently than any other values.

```
## zn n
## 1 0.0 339
```

```
## 2
        12.5
              10
## 3
        17.5
               1
## 4
        18.0
               1
        20.0
## 5
              21
##
  6
        21.0
                4
## 7
        22.0
               9
## 8
        25.0
                8
## 9
        28.0
                3
## 10
       30.0
                6
## 11
       33.0
                3
## 12
        34.0
                3
## 13
       35.0
                3
       40.0
                7
##
   14
## 15
       45.0
                6
## 16
       52.5
                3
## 17
       55.0
                3
## 18
       60.0
                4
## 19
       70.0
                3
## 20
       75.0
               3
## 21
       80.0
               13
## 22
       82.5
                2
## 23
       85.0
                2
       90.0
## 24
                4
## 25
       95.0
                4
## 26 100.0
```

Upon further investigation, it appears that out of the 466 observations, 339 had residential land zoned for large lots. There are more zeros than expected for this variable and this can cause overdispersion. Therefore, we will transform this variable to a dichotomous variable indicating whether or not residential land was zoned for large lots.

```
## zn n
## 1 0 339
## 2 1 127
```

### Log Transformation

The predictors rad and dis are also highly skewed (ignoring chas since this is a categorical variable). Thus we will log transform these variables.

```
## [1] NA
```

Skewness for the log transformed variables are now below 1.

## Converting Categorical Variables to Factors

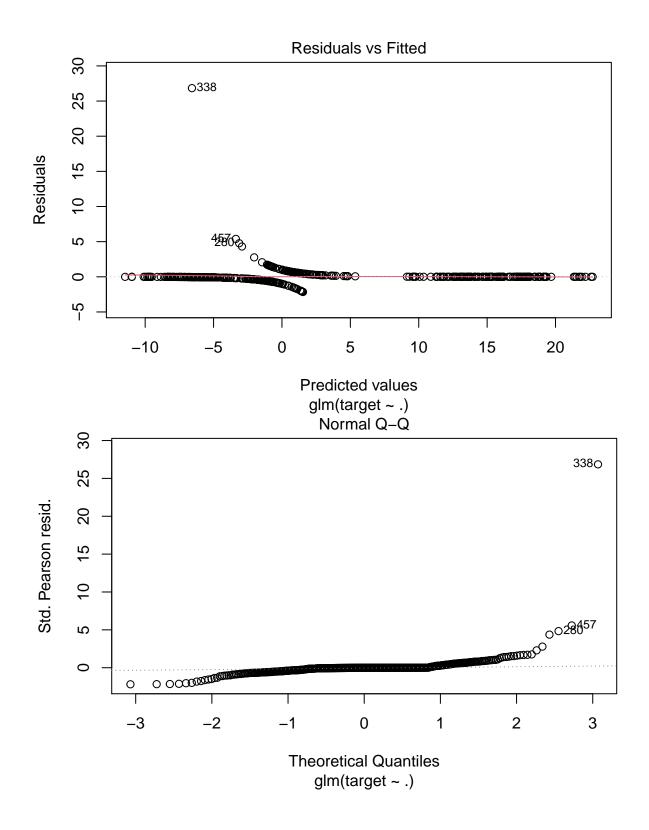
Factor variables are categorical variables that could be either numeric or string. The important advantage of this conversion is that they can be used in statistical modeling where they will be implemented correctly, i.e., they will be assigned the correct number of degrees of freedom. Also, storing string variables as factor variables is a more efficient use of memory.

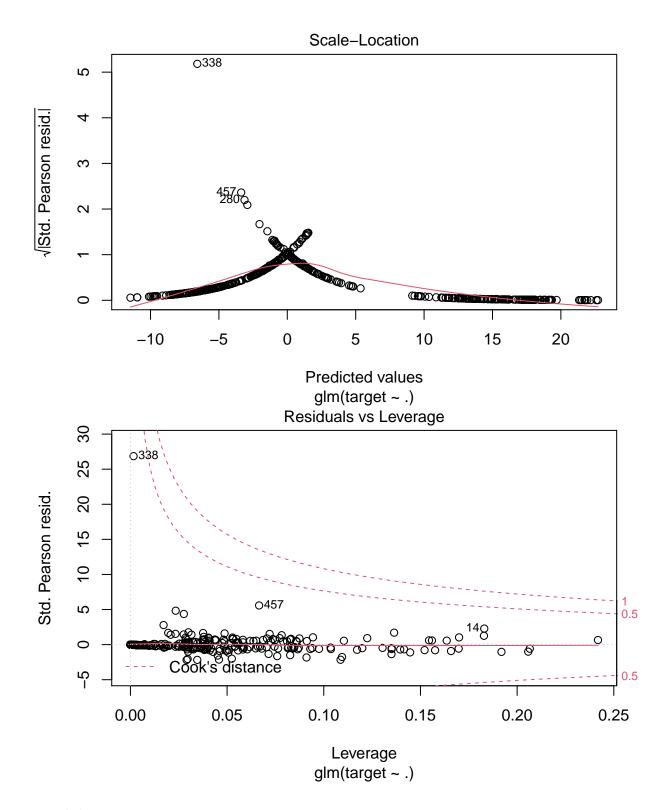
## **Build Models**

#### Model 1

We will first start with generalized linear model (glm). glm is used to fit generalized linear models, specified by giving a symbolic description of the linear predictor and a description of the error distribution. family used here is binomial.

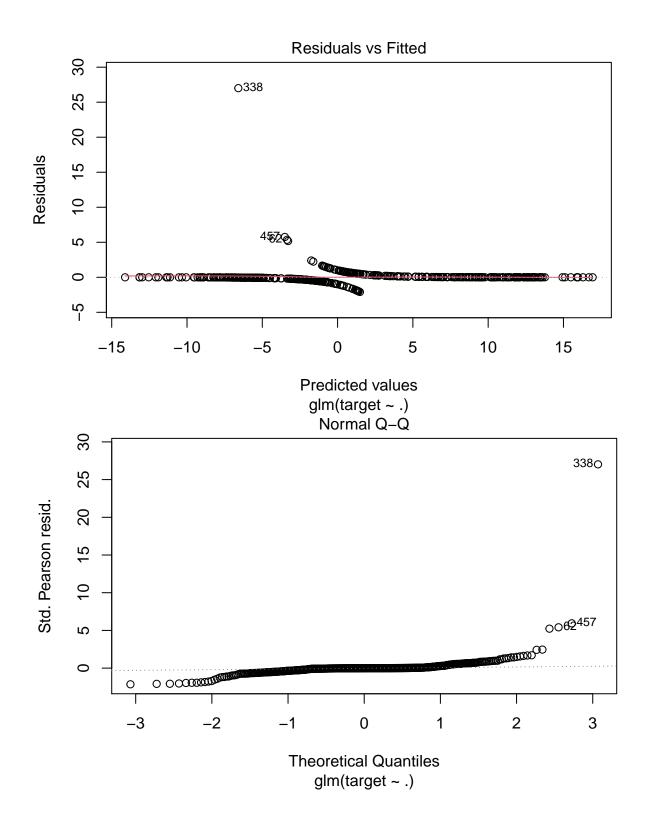
```
##
## Call:
## glm(formula = target ~ ., family = "binomial", data = crime_training)
## Deviance Residuals:
                1Q
##
      Min
                     Median
                                  30
                                          Max
## -1.8619 -0.1720 -0.0093
                               0.0025
                                       3.6279
##
## Coefficients:
##
                Estimate Std. Error z value Pr(>|z|)
## (Intercept) -41.811736
                           6.692341 -6.248 4.17e-10 ***
               -1.883902
                           0.825331 -2.283 0.022454 *
## zn
## indus
               -0.075087
                           0.048241 -1.556 0.119595
## chas
                0.813853
                           0.766599
                                     1.062 0.288399
                           8.015632
                                      6.376 1.82e-10 ***
## nox
               51.109139
               -0.506323
                           0.732752 -0.691 0.489574
## rm
## age
                0.034743
                           0.013882
                                      2.503 0.012322 *
## dis
                0.813769
                            0.232525
                                      3.500 0.000466 ***
## rad
                0.658720
                            0.161822
                                      4.071 4.69e-05 ***
               -0.006092
                                     -2.074 0.038073 *
## tax
                           0.002937
                0.349801
                           0.133116
                                      2.628 0.008594 **
## ptratio
                           0.055534
## 1stat
                0.066503
                                      1.198 0.231105
## medv
                0.181696
                           0.068831
                                      2.640 0.008297 **
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## (Dispersion parameter for binomial family taken to be 1)
##
##
      Null deviance: 645.88 on 465 degrees of freedom
## Residual deviance: 191.12 on 453 degrees of freedom
## AIC: 217.12
##
## Number of Fisher Scoring iterations: 9
```

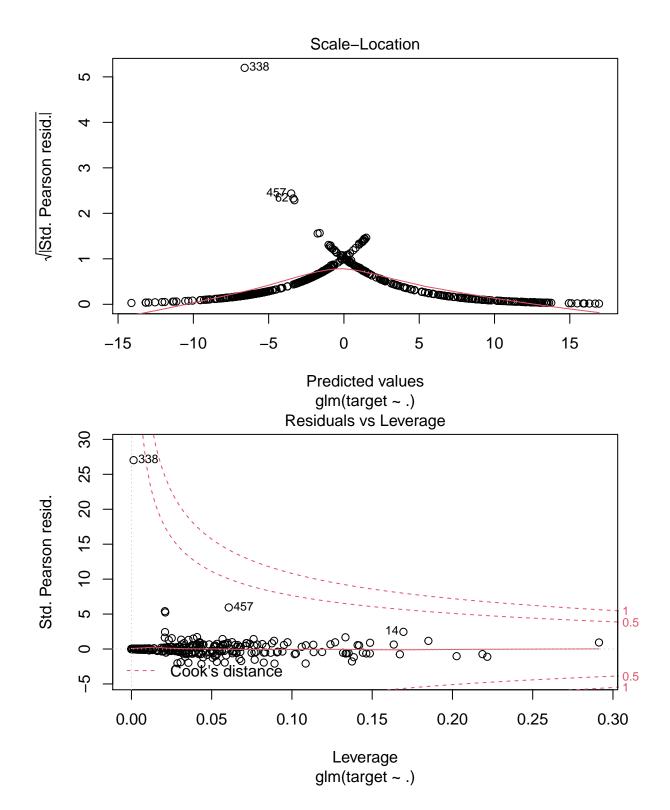




The predictors rad and dis are also highly skewed (ignoring chas since this is a categorical variable). Thus we will log transform these variables and in model 2 we will use glm model with transformed data. This model uses all parameters with log transformations on **rad** and **dis**.

```
##
## Call:
## glm(formula = target ~ ., family = "binomial", data = crime_training_transf)
## Deviance Residuals:
##
     Min 1Q Median
                             3Q
                                    Max
## -1.8363 -0.1216 -0.0024 0.0503
                                  3.6314
##
## Coefficients:
              Estimate Std. Error z value Pr(>|z|)
##
## (Intercept) -52.686872 7.820029 -6.737 1.61e-11 ***
             -1.583651 0.764714 -2.071 0.038368 *
## zn
             -0.019280 0.050833 -0.379 0.704476
## indus
## chas1
             ## nox
            51.874699 7.929493 6.542 6.07e-11 ***
             -0.587980 0.760391 -0.773 0.439368
## rm
             0.039381 0.014402 2.734 0.006250 **
## age
## dis
             4.785211 1.283323 3.729 0.000192 ***
## rad
             4.381985 0.955496 4.586 4.52e-06 ***
            ## tax
## ptratio
             0.414049 0.139458 2.969 0.002988 **
## lstat
              0.209401
                      0.073563 2.847 0.004420 **
## medv
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## (Dispersion parameter for binomial family taken to be 1)
##
     Null deviance: 645.88 on 465 degrees of freedom
## Residual deviance: 185.83 on 453 degrees of freedom
## AIC: 211.83
##
## Number of Fisher Scoring iterations: 8
```

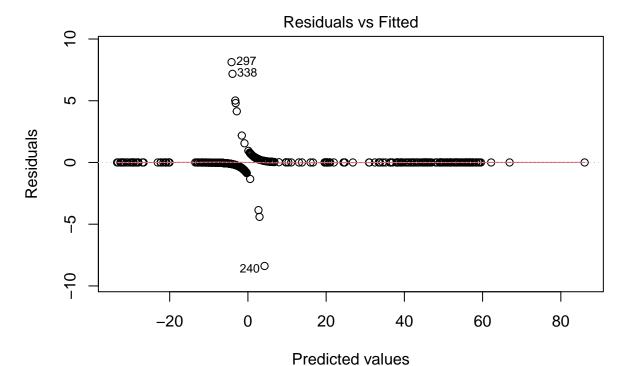




This model removed the parameters zn, chas, age, dis and ptratio. An additional variable was created using a combination of other variables rm(tax + med).

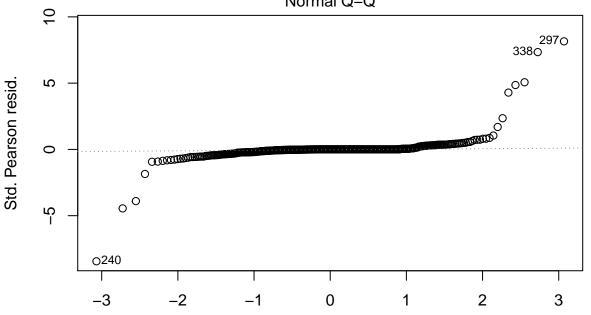
##

```
## Call:
## glm(formula = target ~ rm * (tax + medv) + nox + indus + +rm +
      medv + tax + as.factor(rad), family = "binomial", data = crime_training)
##
## Deviance Residuals:
##
       Min
                  1Q
                       Median
                                     3Q
                                              Max
## -2.92126 -0.07629
                      0.00000
                               0.00000
                                          2.90006
##
## Coefficients:
##
                    Estimate Std. Error z value Pr(>|z|)
## (Intercept)
                    5.035e+01 8.852e+03
                                        0.006 0.995462
                   -1.800e+01 4.762e+00 -3.781 0.000156 ***
## rm
## tax
                   -2.598e-01 7.320e-02 -3.549 0.000387 ***
                   -8.950e-01 4.670e-01 -1.916 0.055324 .
## medv
## nox
                   7.428e+01 1.275e+01 5.826 5.67e-09 ***
                   -1.532e-01 1.147e-01 -1.336 0.181440
## indus
## as.factor(rad)2 -9.355e-01 1.206e+04 0.000 0.999938
## as.factor(rad)3 2.169e+01 8.852e+03 0.002 0.998045
## as.factor(rad)4 2.411e+01 8.852e+03 0.003 0.997827
## as.factor(rad)5 2.105e+01 8.852e+03 0.002 0.998102
## as.factor(rad)6 1.904e+01 8.852e+03 0.002 0.998284
## as.factor(rad)7 2.714e+01 8.852e+03 0.003 0.997554
## as.factor(rad)8 2.710e+01 8.852e+03 0.003 0.997557
## as.factor(rad)24 6.484e+01 9.036e+03 0.007 0.994274
## rm:tax
                    4.132e-02 1.198e-02 3.447 0.000566 ***
## rm:medv
                   1.530e-01 7.091e-02 2.158 0.030947 *
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## (Dispersion parameter for binomial family taken to be 1)
##
##
      Null deviance: 645.88 on 465 degrees of freedom
## Residual deviance: 103.23 on 450 degrees of freedom
## AIC: 135.23
## Number of Fisher Scoring iterations: 21
```

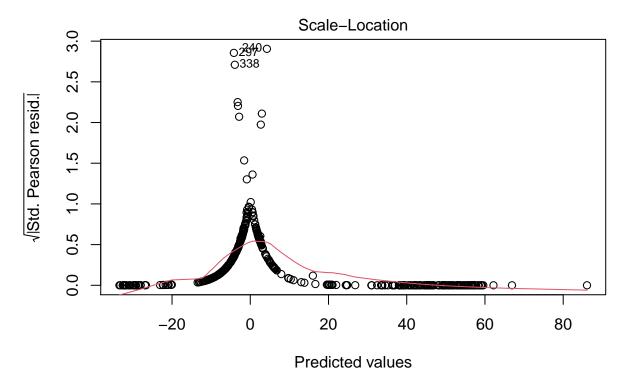


glm(target ~ rm \* (tax + medv) + nox + indus + +rm + medv + tax + as.factor ...

Normal Q-Q

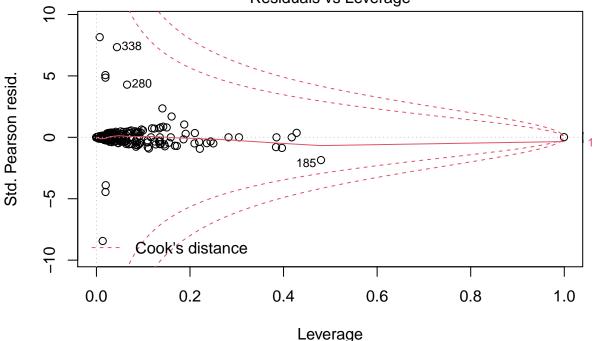


Theoretical Quantiles glm(target ~ rm \* (tax + medv) + nox + indus + +rm + medv + tax + as.factor ...



glm(target ~ rm \* (tax + medv) + nox + indus + +rm + medv + tax + as.factor ...

Residuals vs Leverage

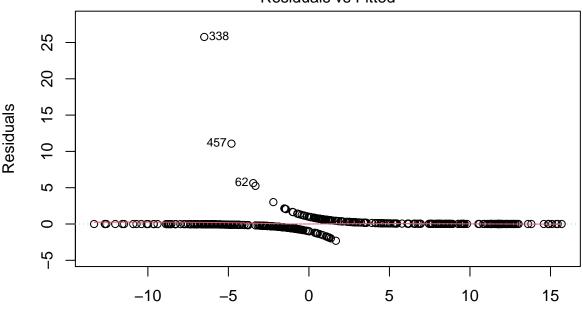


glm(target ~ rm \* (tax + medv) + nox + indus + +rm + medv + tax + as.factor ...

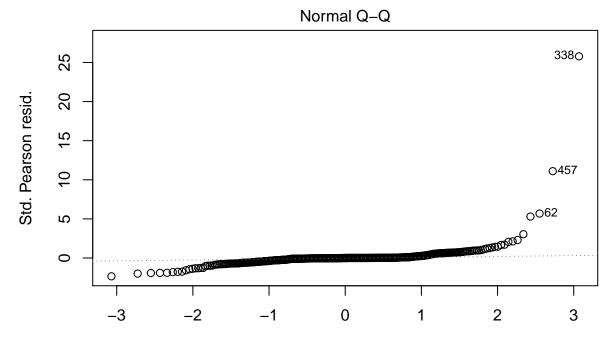
In this model we transformed the variables **rad** and **dis** using log transformations and used backwards elimination to remove variables that are not predictive one at a time. As we removed variables the AIC value decreased which indicates a better goodness of fit.

```
##
## Call:
  glm(formula = target ~ zn + nox + age + dis + rad + tax + ptratio +
       medv, family = "binomial", data = crime_training_sw_transf)
## Deviance Residuals:
                      Median
       Min
                 10
                                   30
                                           Max
                                        3.6054
## -1.9221 -0.1519 -0.0030
                               0.0640
##
## Coefficients:
                 Estimate Std. Error z value Pr(>|z|)
                            7.450580
                                      -6.748 1.50e-11 ***
## (Intercept) -50.278505
## zn
                                      -2.238 0.025249 *
                -1.562858
                            0.698460
## nox
                            7.190858
                                       6.777 1.23e-11 ***
                48.733194
                 0.039453
                            0.011494
                                       3.432 0.000598 ***
## age
## dis
                 4.368571
                            1.211356
                                       3.606 0.000311 ***
                            0.820225
                                       5.343 9.15e-08 ***
                 4.382260
## rad
## tax
                -0.007458
                            0.002867
                                      -2.601 0.009289 **
                 0.348239
                            0.121341
                                       2.870 0.004106 **
## ptratio
                                       3.462 0.000535 ***
## medv
                 0.132246
                            0.038195
##
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
   (Dispersion parameter for binomial family taken to be 1)
##
##
       Null deviance: 645.88 on 465 degrees of freedom
## Residual deviance: 189.87 on 457 degrees of freedom
  AIC: 207.87
##
##
## Number of Fisher Scoring iterations: 8
```

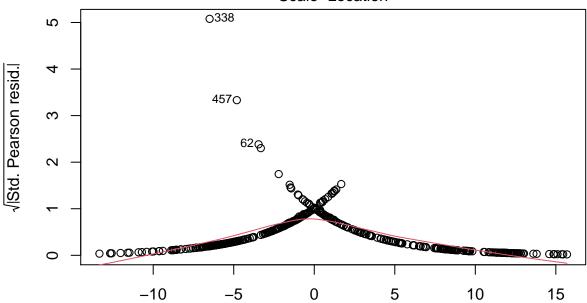
#### Residuals vs Fitted



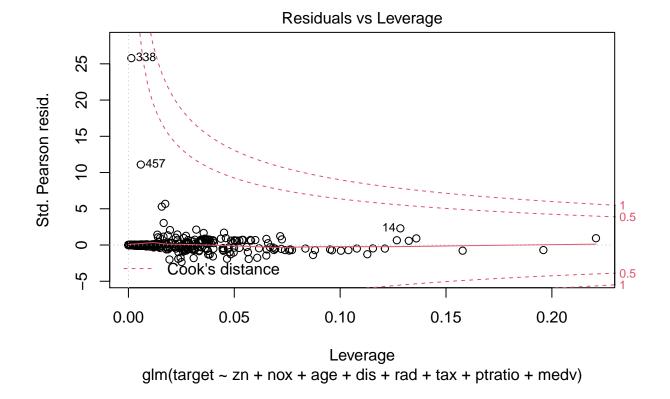
Predicted values
glm(target ~ zn + nox + age + dis + rad + tax + ptratio + medv)



Theoretical Quantiles
glm(target ~ zn + nox + age + dis + rad + tax + ptratio + medv)
Scale-Location



Predicted values glm(target ~ zn + nox + age + dis + rad + tax + ptratio + medv)

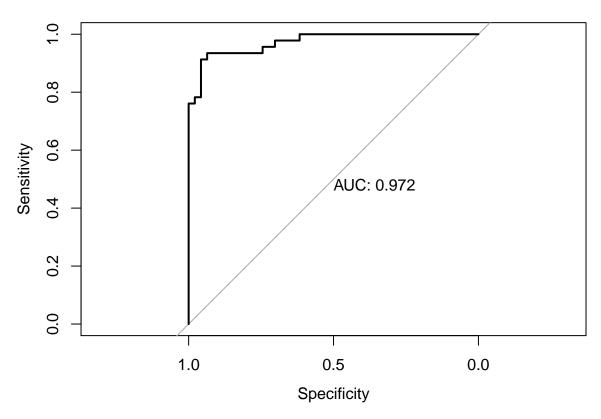


## Select Models

To measure model performance, a confusion matrix and ROC curve will be used. The confusion matrix will offer metrics about the predictive value of each logistical model. The ROC curve offers a graphical counterpart to these metrics. For both functions, the function performs a preliminary 5-way cross-validation as well.

#### Model 1

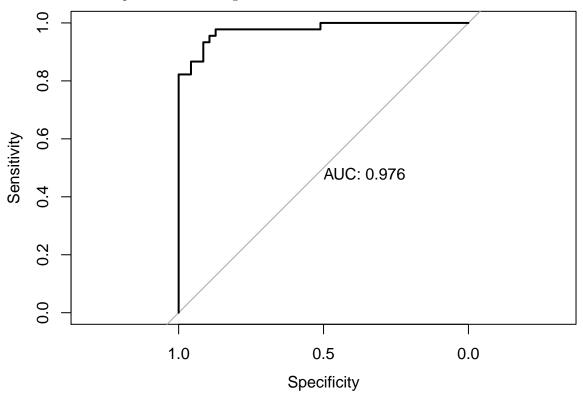
This model was created using all parameters.



```
## Confusion Matrix and Statistics
##
##
             Reference
## Prediction 0 1
            0 45 3
##
            1 1 44
##
##
##
                  Accuracy: 0.957
                    95% CI : (0.8935, 0.9882)
##
       No Information Rate: 0.5054
##
##
       P-Value [Acc > NIR] : <2e-16
##
##
                     Kappa : 0.914
##
    Mcnemar's Test P-Value : 0.6171
##
##
               Sensitivity: 0.9783
##
               Specificity: 0.9362
##
##
            Pos Pred Value: 0.9375
            Neg Pred Value: 0.9778
##
##
                Prevalence: 0.4946
##
            Detection Rate: 0.4839
##
      Detection Prevalence : 0.5161
##
         Balanced Accuracy: 0.9572
##
##
          'Positive' Class : 0
##
##
## Call:
```

```
## roc.default(response = y_test, predictor = predictions)
##
## Data: predictions in 47 controls (y_test 0) < 46 cases (y_test 1).
## Area under the curve: 0.9722</pre>
```

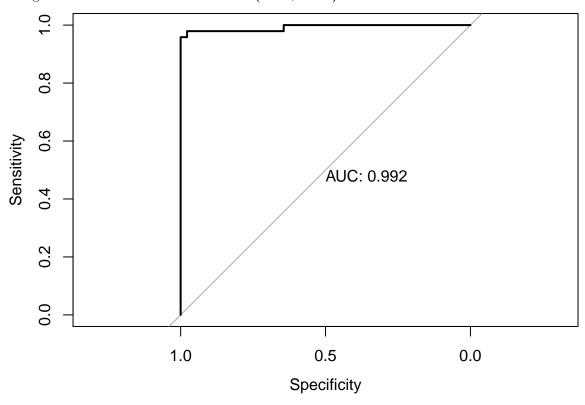
This model uses all parameters with log transformations on rad and dis



```
## Confusion Matrix and Statistics
##
             Reference
##
## Prediction 0 1
            0 45
##
            1 2 42
##
##
                  Accuracy: 0.9457
##
##
                    95% CI : (0.8777, 0.9821)
##
       No Information Rate: 0.5109
##
       P-Value [Acc > NIR] : <2e-16
##
##
                     Kappa: 0.8912
##
##
    Mcnemar's Test P-Value : 1
##
##
               Sensitivity: 0.9574
##
               Specificity: 0.9333
##
            Pos Pred Value: 0.9375
            Neg Pred Value: 0.9545
##
##
                Prevalence: 0.5109
```

```
## Detection Rate : 0.4891
## Detection Prevalence : 0.5217
## Balanced Accuracy : 0.9454
##
## 'Positive' Class : 0
##
## Call:
## roc.default(response = y_test, predictor = predictions)
##
## Data: predictions in 47 controls (y_test 0) < 45 cases (y_test 1).
## Area under the curve: 0.9764</pre>
```

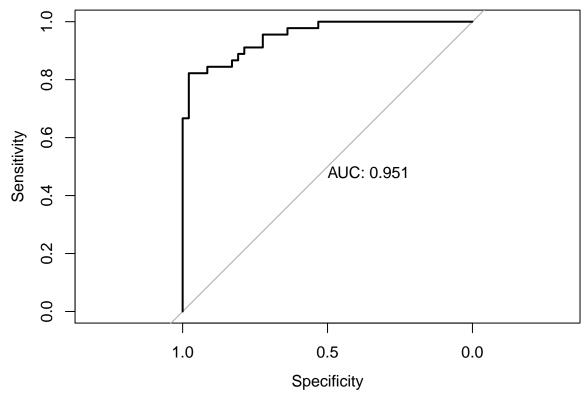
This model removed the parameters zn, chas, age, dis and ptratio. An additional variable was created using a combination of other variables rm(tax + med).



```
## Confusion Matrix and Statistics
##
             Reference
##
## Prediction 0 1
##
            0 48 2
            1 0 43
##
##
                  Accuracy: 0.9785
##
                    95% CI: (0.9245, 0.9974)
##
##
       No Information Rate: 0.5161
##
       P-Value [Acc > NIR] : <2e-16
```

```
##
##
                     Kappa: 0.9569
##
    Mcnemar's Test P-Value: 0.4795
##
##
               Sensitivity: 1.0000
##
##
               Specificity: 0.9556
            Pos Pred Value: 0.9600
##
##
            Neg Pred Value: 1.0000
                Prevalence: 0.5161
##
##
            Detection Rate: 0.5161
      Detection Prevalence: 0.5376
##
         Balanced Accuracy: 0.9778
##
##
##
          'Positive' Class : 0
##
##
## Call:
## roc.default(response = y_test, predictor = predictions)
## Data: predictions in 45 controls (y_test 0) < 48 cases (y_test 1).</pre>
## Area under the curve: 0.9921
```

In this model we transformed the variables **rad** and **dis** using log transformations and used backwards elimination to remove variables that are not predictive one at a time. As we removed variables the AIC value decreased which indicates a better goodness of fit.



	Model1	Model2	Model3	Mode
Description	All variables	Some log transformations	Fewer variables, new created variable	Backy
AUC	0.972247918593895	0.976359338061466	0.99212962962963	0.951
accuracy	0.957215541165587	0.945390070921986	0.9777777777778	0.913
classification error rate	0.0427844588344126	0.0546099290780142	0.02222222222221	0.086
precision	0.9375	0.9375	0.96	0.914
sensitivity	0.978260869565217	0.957446808510638	1	0.914
specificty	0.936170212765957	0.93333333333333	0.95555555555556	0.911
F1 Score	0.957446808510638	0.947368421052632	0.979591836734694	0.914

```
Confusion Matrix and Statistics
##
             Reference
##
## Prediction 0 1
##
            0 43
            1 4 41
##
##
##
                  Accuracy: 0.913
##
                    95% CI: (0.8358, 0.9617)
       No Information Rate: 0.5109
##
##
       P-Value [Acc > NIR] : <2e-16
##
                     Kappa: 0.826
##
##
##
    Mcnemar's Test P-Value : 1
##
               Sensitivity: 0.9149
##
##
               Specificity: 0.9111
##
            Pos Pred Value: 0.9149
##
            Neg Pred Value: 0.9111
##
                Prevalence: 0.5109
##
            Detection Rate: 0.4674
##
      Detection Prevalence: 0.5109
##
         Balanced Accuracy: 0.9130
##
##
          'Positive' Class: 0
##
##
## Call:
## roc.default(response = y_test, predictor = predictions)
## Data: predictions in 47 controls (y_test 0) < 45 cases (y_test 1).</pre>
## Area under the curve: 0.9513
```

#### Conclusion

While all 4 models are great at predicting on our test data, Model 3 performs the best. The AUC value for Model 3 is the highest. The sensitivity, specificity, accuracy and error rate are the highest in Model 3 as well.

Our final model shows the biggest predictors of whether a town has a crime rate above the median is the avg number of rooms in a house, the nitrogen oxide concentrations, and index of accessibility to radial highways. Here is the final model:

#### Predicting on the Evaluation Dataset

We will use our final model on the evaluation dataset to predict whether or not, the crime rate is above the median crime rate in a neighborhood. The assigned threshold for the median is 0.5.

## Code Appendix

The code chunks below shows the R code called above throughout the analysis. They are being reproduced in the appendix for review and feedback.

```
# Libraries
library(dplyr)
library(GGally)
library(ggplot2)
library(readr)
library(reshape2)
library(purrr)
library(tidyr)
library(corrplot)
library(MASS)
library(caret)
library(e1071)
library(ROCR)
library(DataExplorer)
library(pROC)
library(kableExtra)
set.seed(2012)
crime_training <- read.csv('https://raw.githubusercontent.com/hillt5/DATA_621/master/HW3/crime-training</pre>
crime_eval <- read.csv('https://raw.githubusercontent.com/hillt5/DATA_621/master/HW3/crime-evaluation-d</pre>
head(crime training)
dim(crime_training)
summary(crime_training)
plot_histogram(crime_training)
skewness(crime_training,na.rm=FALSE)
print('Indus unique values: ')
length(unique(crime_training$indus))
print('Ptratio unique values: ')
length(unique(crime_training$ptratio))
```

```
print('Rad unique values: ')
length(unique(crime_training$rad))
print('Tax unique values: ')
length(unique(crime_training$tax))
print('Zn unique values: ')
length(unique(crime_training$zn))
print('Indus most common values: ')
sort(table(crime_training$indus), decreasing = TRUE)[1:10]
print('Ptratio most common values: ')
sort(table(crime_training$ptratio), decreasing = TRUE)[1:10]
print('Rad most common values: ')
sort(table(crime_training$rad), decreasing = TRUE)[1:10]
print('Tax most common values: ')
sort(table(crime training$tax), decreasing = TRUE)[1:10]
print('Zn most common values: ')
sort(table(crime_training$zn), decreasing = TRUE)[1:10]
crime_training %>% filter(indus == 18.1) %>% filter(ptratio == 20.2) %>% filter(tax == 666) %>% nrow()
print('Proportion of cluster above median crime rate: ')
crime_training %>% filter(indus == 18.1) %>% filter(ptratio == 20.2) %>% filter(tax == 666) %>% summari.
100*round(121/nrow(crime_training),2)
100*round(121/nrow(crime_training[crime_training$target == 1,]),2)
table((crime_training$rad[crime_training$target ==1]))
ggplot(stack(crime\_training), aes(x = ind, y = values)) +
  geom_boxplot(color = "darkgreen", fill = "darkgreen", alpha = 0.3, notch = TRUE,
              notchwidth = 0.5, outlier.colour = "red", outlier.fill = "red",
              outlier.size = 3) +
  labs(title = "Boxplot of feature variables") +
  scale_y_log10()
corrplot(cor(crime_training))
crime_training[338,]
count(crime_training,zn)
```

```
crime_training$zn <- ifelse(crime_training$zn == 0, 0, 1) # 0 indicates that the neighborhood does not
count(crime_training,zn)
crime_training_transf <- crime_training</pre>
crime_training_transf$rad <- log(crime_training_transf$rad+1)</pre>
crime_training_transf$dis <- log(crime_training_transf$dis+1)</pre>
skewness(crime training transf, na.rm=FALSE)
crime_training_transf$chas = as.factor(crime_training_transf$chas)
crime_training_transf$target = as.factor(crime_training_transf$target)
crime glm <- glm(crime training, family = 'binomial', formula = target ~.)</pre>
summary(crime_glm)
# plot model 1
plot(crime_glm)
# transformed model
lm_transform <- glm(crime_training_transf, family = 'binomial', formula = target ~.)</pre>
summary(lm_transform)
# plot model 2
plot(lm_transform)
crime_glm2 <- glm(crime_training, formula = target~rm*(tax + medv) + nox + indus + +rm + medv + tax +</pre>
summary(crime_glm2)
# plot model 3
plot(crime_glm2)
crime_training_sw_transf <- crime_training</pre>
crime_training_sw_transf$rad <- log(crime_training_sw_transf$rad+1)</pre>
crime_training_sw_transf$dis <- log(crime_training_sw_transf$dis+1)</pre>
crime_training_sw_transf$chas = as.factor(crime_training_sw_transf$chas)
crime_training_sw_transf$target = as.factor(crime_training_sw_transf$target)
crime_glm4 <- glm(crime_training_sw_transf, formula = target ~ ., family = 'binomial')</pre>
#summary(crime glm4)
crime_glm4 <- update(crime_glm4,target~. - indus) #remove indus</pre>
#summary(crime_glm4)
crime_glm4 <- update(crime_glm4,target~. - lstat) #remove lstat</pre>
#summary(crime_glm4)
crime_glm4 <- update(crime_glm4,target~. - chas) #remove chas</pre>
#summary(crime glm4)
crime_glm4 <- update(crime_glm4,target~. - rm) #remove rm</pre>
summary(crime_glm4)
# plot model 4
plot(crime_glm4)
get_cv_performance <- function(data_frame, model, split = 0.8) { ### input is dataframe for partitioni.
 n <- ncol(data_frame) #number of columns in original dataframe
```

train\_control <- trainControl(method="repeatedcv", number=10, repeats=3)</pre>

```
trainIndex <- createDataPartition(data_frame[,n], p=split, list=FALSE)</pre>
  data_train <- data_frame[trainIndex,]</pre>
  data_test <- data_frame[-trainIndex,]</pre>
  x_test <- data_test[,1:n] #explanatory variables</pre>
  y_test <- data_test[,n] #response variable</pre>
  predictions <- predict(model, x_test, type = 'response')</pre>
  return(confusionMatrix(data = (as.factor(as.numeric(predictions>0.5))), reference = as.factor(y_test)
  return(plot(roc(y_test, predictions),print.auc=TRUE))
get_roc <- function(data_frame, model, split = 0.8) { ### input is dataframe for partitioning, model a</pre>
  n <- ncol(data frame) #number of columns in original dataframe
  train_control <- trainControl(method="repeatedcv", number=10, repeats=3)</pre>
  trainIndex <- createDataPartition(data_frame[,n], p=split, list=FALSE)</pre>
  data_train <- data_frame[trainIndex,]</pre>
  data_test <- data_frame[-trainIndex,]</pre>
  x_test <- data_test[,1:n] #explanatory variables</pre>
  y_test <- data_test[,n] #response variable</pre>
  predictions <- predict(model, x test, type = 'response')</pre>
  return(plot(roc(y_test, predictions),print.auc=TRUE))
model1_cv <- get_cv_performance(crime_training, crime_glm)</pre>
model1_roc <- get_roc(crime_training, crime_glm)</pre>
model1_cv
model1_roc
model2_cv <- get_cv_performance(crime_training_transf, lm_transform)</pre>
model2_roc <- get_roc(crime_training_transf, lm_transform)</pre>
model2_cv
model2_roc
model3_cv <- get_cv_performance(crime_training, crime_glm2)</pre>
model3_roc <- get_roc(crime_training, crime_glm2)</pre>
model3_cv
model3_roc
model4 cv <- get cv performance(crime training sw transf, crime glm4)
model4_roc <- get_roc(crime_training_sw_transf, crime_glm4)</pre>
model4_cv
model4_roc
```