

Chapter 6-2 Practice

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Square Footage, Bedrooms, and Home Prices

Estimate the following models using the housing price dataset (`hprice1` - note that this is *not* the same dataset as the tutorial!).

1. $Price = \beta_0 + \beta_1 Lot\ Size + \beta_2 Square\ Feet + \beta_3 Bedrooms + u$: (`hprice.lm1`)
2. $Price = \beta_0 + \beta_1 Lot\ Size + \beta_2 Square\ Feet + \beta_3 Bedrooms + \beta_4 Square\ Feet \cdot Bedrooms + u$: (`hprice.lm2`)
3. $Price = \beta_0 + \beta_1 Lot\ Size + \beta_2 Square\ Feet + \beta_3 Bedrooms + \beta_4 (Square\ Feet - \mu_{Sq.\ Ft.}) \cdot (Bedrooms - \mu_{Bedrooms}) + u$: (`hprice.lm3`)

Present all three sets of estimates in the same **text** table using **stargazer**.