**Assignment 5**

* **Problem 1:**
  + Do we have to consider factor variables in the correlation?
  + What does “Why” mean, why they are correlated or why we concluded that they are correlated?
* **Problem 2:**
  + As in Model 2 we have removed the floorspace and in model 3 we have removed the bedrooms, these are not present in corresponding models, so when you say comparison across each model, it means comparison of values in one model across the base model
  + Do we have to consider factor variables also? Or we need to consider floorprice and bedrooms only
  + In part b) are we supposed to answer which variable -bedroom or floorspace explains variability in price based on r-square value or based on all other results from above?
* **Problem 3:**
  + Do we have to consider factor variables also? Or we need to consider floorprice and bedrooms only
  + Part b: does diagnostic improve. What does this mean
  + Part c: If all variables are considered then how transforming floor price only will make the model log-log
* **Problem 5:**
  + By additional variability over model in problem 3b, do you mean the variation in residuals?