Analysis.md 8/10/2018

title: "Kaggle Project - Team Fat Tails" author: | Grant Bourzikas | Quinton Nixon | Brock Friedrich date: "" output: pdf\_document: df\_print: kable toc: yes html\_document: df\_print: kable toc: true css: css/darkly.css notebook: css: css/darkly.css geometry: margin=1in

#### fontsize: 11pt fontfamily: palatino

**Downloading from the Kaggle API** 

**Using Code Blocks in Markdown** 

**Using SAS in Markdown Code Blocks** 

Find more markdown snippits

#### Introduction

```
#setup, echo=FALSE, results="hide"}
# read setup script
source("Setup.R")
print("hello world!!!")
```

print("Verbose will be printed first")

Ask a home buyer to describe their dream house, and they probably won't begin with the height of the basement ceiling or the proximity to an east-west railroad. However, it is essential to review the data because it proves that there are many other influences in price negotiations than the number of bedrooms or a white-picket fence.

#### **Data Synopsis**

The Ames House dataset was compiled by Dean De Cock and contains 79 explanatory variables describing almost every aspect of residual home in Ames lowa from 2006 to 2010. The data set contains 2930 observations involved in assessing home values.

#### **Analysis Question 1**

#### Restatement of Problem

To build and fit a model, an analysis must be performed to identify features of the dataset that are statistically significant in their relation to, and prediction of, the sales price.

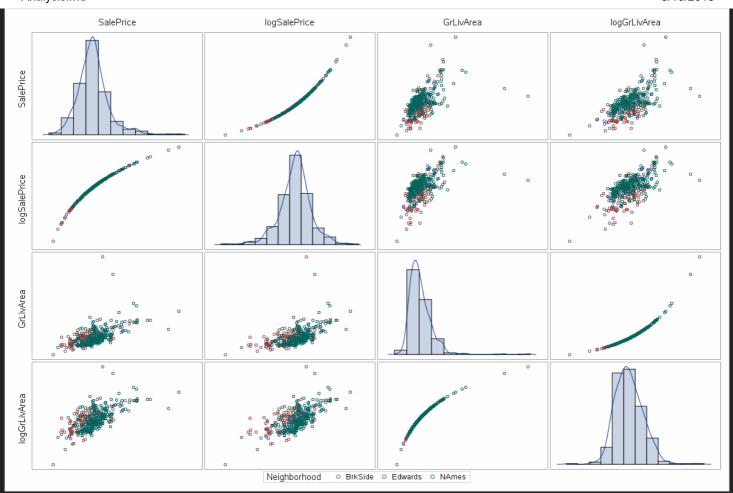
### **Build the Model**

#### Interrogate the Data

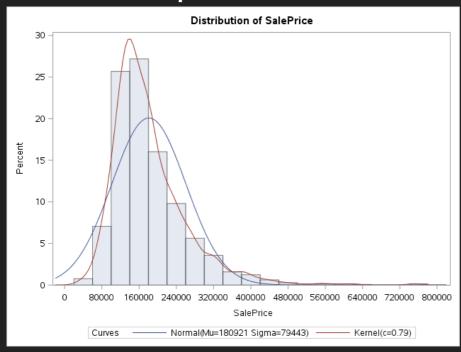
To build and fit a model, an analysis must be performed to identify features of the dataset that are statistically significant in their relation to, and prediction of, the sales price.

- Plot the data.
- Develop a tentative model(s).
  - Using the question(s) of interest (QOI).
  - Accounting for confounders.
  - Accounting for relationships (\$X^2\$,\$X^3\$, \$etc\$).
- Fit the model(s).
- Evaluate residual plots.
  - Constant SD.
  - o Normality and zero me an.
  - Identify any influential observations.

Analysis.md 8/10/2018

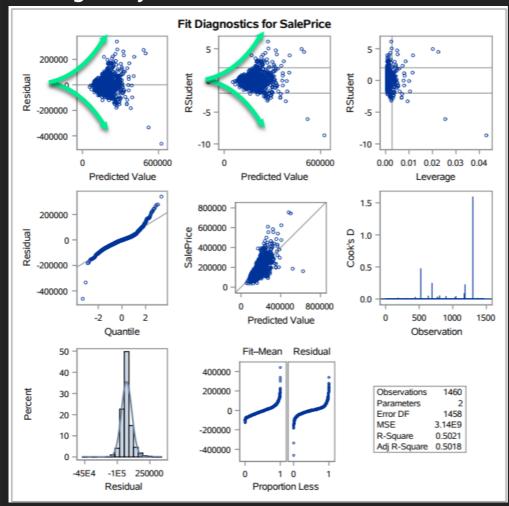


## Fit the Model Check Assumptions



Residual Diagnostics Outlier Analysis Model Assumptions Analysis.md 8/10/2018

#### **Homogeneity of Variances**



Code (will move to appendix later):

```
proc import datafile="/home/bfriedrich0/sasuser.v94/train.csv"
     out=train_original
     dbms=csv
     replace;
     getnames=yes;
run;
proc univariate data=train_original noprint;
histogram / nrows = 5 kernel normal(noprint);
```

Neighborhoods:  $x_1 = BrkSide$   $x_2 = NAmes$   $x_3 = Edwards$ 

\$\hat\mu { {SalesPrice} } , = , \beta\_0, +, \beta\_1 , \cdot , BrkSide, +, \beta\_2, Edwards, +, \beta\_3, \cdot , NAmes, +, \beta\_4(LivingArea\_{log}, \cdot, BrkSide) + \beta\_{5}, x, (LivingArea\_{log}), x, Edwards)\$

\$\mu{\widehat{SalesPrice\_{Ames}}}, = , \beta\_0, +, \beta\_1, x, BrkSide, +, \beta\_2, Edwards, +, \beta\_3, \*, NAmes, +, \beta\_4(LivingArea\_{log}, x, BrkSide) + \beta\_{5}, x, (LivingArea\_{log}, x, Edwards)\$

# Analysis Question 2 Appendix