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January 24, 2022

## 1 Multicollinearity of Features - Lab

#### 1.1 Introduction

In this lab, you'll identify multicollinearity in the Ames Housing dataset.

#### 1.2 Objectives

You will be able to: \* Create a scatter matrix and correlation matrix \* Assess Intpret the output of a correlation matrix \* Identify if variables are exhibiting collinearity \* Decide how to address the collinearity in the data set

#### 1.3 Correlation matrix for the Ames Housing data

#### 1.3.1 Import data

Let's reimport the Ames Housing data assign the numeric variables we want to keep to numeric\_vars.

```
[62]: import pandas as pd
     import numpy as np
     import matplotlib.pyplot as plt
     %matplotlib inline
     pd.options.display.max_columns = 999
     pd.options.display.max_rows = 999
     ames = pd.read_csv('ames.csv')
     numeric_vars = ['LotFrontage', 'LotArea', 'BsmtFinSF1', 'BsmtFinSF2', |
      'TotalBsmtSF', '1stFlrSF', '2ndFlrSF', 'LowQualFinSF',

¬'GrLivArea'.
                     'BsmtFullBath', 'BsmtHalfBath', 'FullBath', 'HalfBath',
       'KitchenAbvGr', 'TotRmsAbvGrd', 'Fireplaces', 'GarageYrBlt',

    GarageCars¹,

                     'GarageArea', 'WoodDeckSF', 'OpenPorchSF', 'EnclosedPorch',
```

```
'ScreenPorch', 'PoolArea']
```

#### 1.3.2 Create processed

Create a new dataframe named ames\_preprocessed that contains only the features in numeric\_vars.

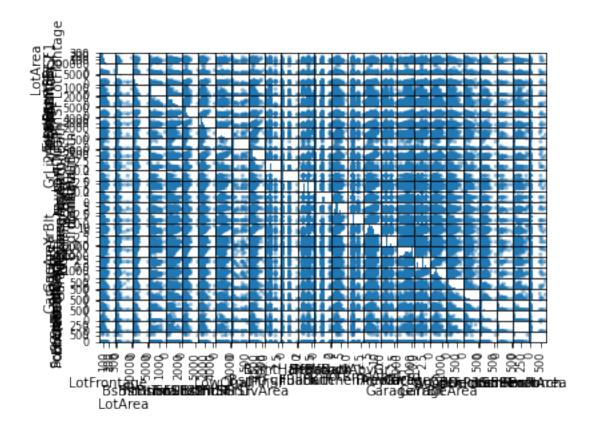
```
[63]: # create single dataframe called ames_preprocessed

ames_preprocessed = ames[numeric_vars]
```

#### 1.4 Scatter matrix

Create the scatter matrix for the Ames Housing data. This takes a few minutes to load!

```
[6]: # use pd.plotting.scatter_matrix
pd.plotting.scatter_matrix(ames_preprocessed);
```



The scatter matrix took a while to load and is hard to read. Run the code below to see if adjusting some of the visualization settings helps.

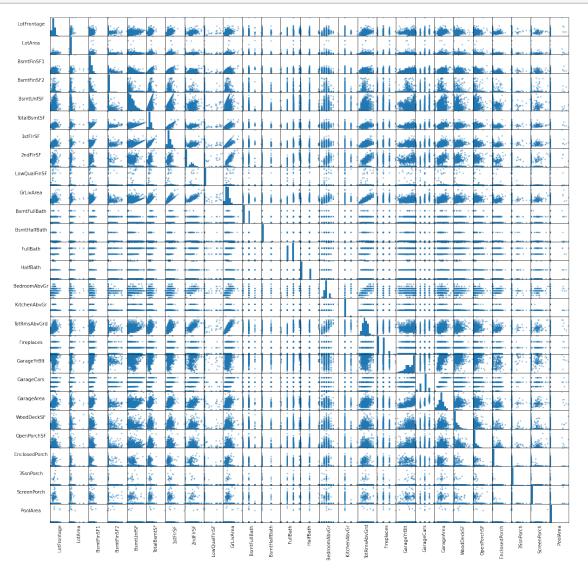
```
[7]: sm = pd.plotting.scatter_matrix(ames_preprocessed, figsize=[20, 20]);

# Rotates the text
[s.xaxis.label.set_rotation(90) for s in sm.reshape(-1)]
[s.yaxis.label.set_rotation(0) for s in sm.reshape(-1)]

#May need to offset label when rotating to prevent overlap of figure
[s.get_yaxis().set_label_coords(-1,0.5) for s in sm.reshape(-1)]

#Hide all ticks
[s.set_xticks(()) for s in sm.reshape(-1)]
[s.set_yticks(()) for s in sm.reshape(-1)]

plt.show()
```

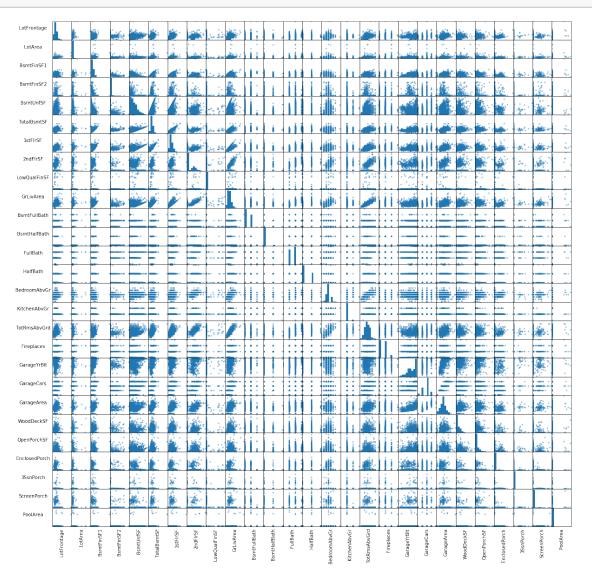


```
[8]: #__Solution__
sm = pd.plotting.scatter_matrix(ames_preprocessed, figsize=[20, 20]);

# Rotates the text
[s.xaxis.label.set_rotation(90) for s in sm.reshape(-1)]
[s.yaxis.label.set_rotation(0) for s in sm.reshape(-1)]

#May need to offset label when rotating to prevent overlap of figure
[s.get_yaxis().set_label_coords(-1,0.5) for s in sm.reshape(-1)]

#Hide all ticks
[s.set_xticks(()) for s in sm.reshape(-1)]
[s.set_yticks(()) for s in sm.reshape(-1)]
```



The enhanced plot demonstrates that with larger datasets, scatter matricies become less useful. Through careful examination of the matrix it's clear that TotRmsAbvGrd seems correlated with GrLivArea, but how easy to use would this matrix if a dataset has hundreds or thousands of variables? Also visual approach to finding correlation cannot be automated, so a numeric approach is a good next step.

#### 1.5 Correlation matrix

Next, create and look at the correlation matrix:

[64]: ames\_preprocessed.corr()

[64]:		LotFrontage	LotArea	BsmtFinSF1	BsmtFinSF2	BsmtUnfSF	\
	LotFrontage	1.000000	0.426095	0.233633	0.049900	0.132644	
	LotArea	0.426095	1.000000	0.214103	0.111170	-0.002618	
	BsmtFinSF1	0.233633	0.214103	1.000000	-0.050117	-0.495251	
	BsmtFinSF2	0.049900	0.111170	-0.050117	1.000000	-0.209294	
	BsmtUnfSF	0.132644	-0.002618	-0.495251	-0.209294	1.000000	
	TotalBsmtSF	0.392075	0.260833	0.522396	0.104810	0.415360	
	1stFlrSF	0.457181	0.299475	0.445863	0.097117	0.317987	
	2ndFlrSF	0.080177	0.050986	-0.137079	-0.099260	0.004469	
	${\tt LowQualFinSF}$	0.038469	0.004779	-0.064503	0.014807	0.028167	
	GrLivArea	0.402797	0.263116	0.208171	-0.009640	0.240257	
	${\tt BsmtFullBath}$	0.100949	0.158155	0.649212	0.158678	-0.422900	
	${\tt BsmtHalfBath}$	-0.007234	0.048046	0.067418	0.070948	-0.095804	
	FullBath	0.198769	0.126031	0.058543	-0.076444	0.288886	
	HalfBath	0.053532	0.014259	0.004262	-0.032148	-0.041118	
	${\tt BedroomAbvGr}$	0.263170	0.119690	-0.107355	-0.015728	0.166643	
	KitchenAbvGr	-0.006069	-0.017784	-0.081007	-0.040751	0.030086	
	${\tt TotRmsAbvGrd}$	0.352096	0.190015	0.044316	-0.035227	0.250647	
	Fireplaces	0.266639	0.271364	0.260011	0.046921	0.051575	
	${\tt GarageYrBlt}$	0.070250	-0.024947	0.153484	-0.088011	0.190708	
	GarageCars	0.285691	0.154871	0.224054	-0.038264	0.214175	
	${\tt GarageArea}$	0.344997	0.180403	0.296970	-0.018227	0.183303	
	WoodDeckSF	0.088521	0.171698	0.204306	0.067898	-0.005316	
	OpenPorchSF	0.151972	0.084774	0.111761	0.003093	0.129005	
	${\tt EnclosedPorch}$	0.010700	-0.018340	-0.102303	0.036543	-0.002538	
	3SsnPorch	0.070029	0.020423	0.026451	-0.029993	0.020764	
	ScreenPorch	0.041383	0.043160	0.062021	0.088871	-0.012579	
	PoolArea	0.206167	0.077672	0.140491	0.041709	-0.035092	
		TotalBsmtSF	1stFlrSF		LowQualFinSF	GrLivArea	\
	LotFrontage	0.392075	0.457181	0.080177	0.038469	0.402797	
	LotArea	0.260833	0.299475	0.050986	0.004779	0.263116	
	BsmtFinSF1	0.522396	0.445863	-0.137079	-0.064503	0.208171	

BsmtFinSF2	0.104810	0.097117 -0.09	99260	0.014807	-0.009640	
BsmtUnfSF	0.415360	0.317987 0.00	04469	0.028167	0.240257	
TotalBsmtSF	1.000000	0.819530 -0.17	74512	-0.033245	0.454868	
1stFlrSF	0.819530	1.000000 -0.20	)2646	-0.014241	0.566024	
2ndFlrSF	-0.174512 -	0.202646 1.00	00000	0.063353	0.687501	
LowQualFinSF	-0.033245 -	0.014241 0.06	3353	1.000000	0.134683	
GrLivArea	0.454868	0.566024 0.68	37501	0.134683	1.000000	
BsmtFullBath	0.307351	0.244671 -0.16	59494 ·	-0.047143	0.034836	
BsmtHalfBath	-0.000315	0.001956 -0.02	23855	-0.005842	-0.018918	
FullBath	0.323722	0.380637 0.42	21378	-0.000710	0.630012	
HalfBath	-0.048804 -	0.119916 0.60	9707	-0.027080	0.415772	
${\tt BedroomAbvGr}$	0.050450	0.127401 0.50	02901	0.105607	0.521270	
KitchenAbvGr	-0.068901	0.068101 0.09	59306	0.007522	0.100063	
TotRmsAbvGrd	0.285573	0.409516 0.63	16423	0.131185	0.825489	
Fireplaces	0.339519	0.410531 0.19	94561	-0.021272	0.461679	
GarageYrBlt	0.322445	0.233449 0.07	70832	-0.036363	0.231197	
GarageCars	0.434585	0.439317 0.18	33926	-0.094480	0.467247	
GarageArea	0.486665	0.489782 0.13	38347	-0.067601	0.468997	
WoodDeckSF	0.232019	0.235459 0.09	92165	-0.025444	0.247433	
OpenPorchSF	0.247264	0.211671 0.20	08026	0.018251	0.330224	
EnclosedPorch	-0.095478 -	0.065292 0.06	51989	0.061081	0.009113	
3SsnPorch	0.037384	0.056104 -0.02	24358	-0.004296	0.020643	
ScreenPorch	0.084489	0.088758 0.04	10606	0.026799	0.101510	
PoolArea	0.126053	0.131525 0.08	31487	0.062157	0.170205	
	${\tt BsmtFullBath}$	${\tt BsmtHalfBath}$	FullBath	HalfBath	${\tt BedroomAbvGr}$	\
LotFrontage	0.100949	-0.007234	0.198769	0.053532	0.263170	
LotArea	0.158155	0.048046	0.126031	0.014259	0.119690	
BsmtFinSF1	0.649212	0.067418	0.058543	0.004262	-0.107355	
BsmtFinSF2	0.158678	0.070948	-0.076444	-0.032148	-0.015728	
BsmtUnfSF	-0.422900	-0.095804	0.288886	-0.041118	0.166643	
${\tt TotalBsmtSF}$	0.307351	-0.000315	0.323722	-0.048804	0.050450	
1stFlrSF	0.244671	0.001956	0.380637	-0.119916	0.127401	
2ndFlrSF	-0.169494	-0.023855	0.421378	0.609707	0.502901	
${\tt LowQualFinSF}$	-0.047143	-0.005842	-0.000710	-0.027080	0.105607	
GrLivArea	0.034836	-0.018918	0.630012	0.415772	0.521270	
${\tt BsmtFullBath}$	1.000000	-0.147871	-0.064512	-0.030905	-0.150673	
${\tt BsmtHalfBath}$	-0.147871	1.000000	-0.054536	-0.012340	0.046519	
FullBath	-0.064512	-0.054536	1.000000	0.136381	0.363252	
HalfBath	-0.030905	-0.012340	0.136381	1.000000	0.226651	
${\tt BedroomAbvGr}$	-0.150673	0.046519	0.363252	0.226651	1.000000	
KitchenAbvGr	-0.041503	-0.037944	0.133115	-0.068263	0.198597	
${\tt TotRmsAbvGrd}$	-0.053275	-0.023836	0.554784	0.343415	0.676620	
Fireplaces	0.137928	0.028976	0.243671	0.203649	0.107570	
${\tt GarageYrBlt}$	0.124553	-0.077464	0.484557	0.196785	-0.064518	
GarageCars	0.131881	-0.020891	0.469672	0.219178	0.086106	
${\tt GarageArea}$	0.179189	-0.024536	0.405656	0.163549	0.065253	

WoodDeckSF	0.175315	0.040161	0.187703 0	.108080	0.046854	
OpenPorchSF	0.067341	-0.025324	0.259977	.199740	0.093810	
EnclosedPorch	-0.049911	-0.008555	-0.115093 -0	0.095317	0.041570	
3SsnPorch	-0.000106	0.035114	0.035353 -0	.004972 -	-0.024478	
ScreenPorch	0.023148	0.032121	-0.008106	0.072426	0.044300	
PoolArea	0.067616	0.020025	0.049604 0	0.022381	0.070703	
	KitchenAbvGr	${\tt TotRmsAbvGrd}$	Fireplaces	${\tt GarageYrBlt}$	\	
${ t LotFrontage}$	-0.006069	0.352096	0.266639	0.070250		
LotArea	-0.017784	0.190015	0.271364	-0.024947		
BsmtFinSF1	-0.081007	0.044316	0.260011	0.153484		
BsmtFinSF2	-0.040751	-0.035227	0.046921	-0.088011		
${\tt BsmtUnfSF}$	0.030086	0.250647	0.051575	0.190708		
TotalBsmtSF	-0.068901	0.285573	0.339519	0.322445		
1stFlrSF	0.068101	0.409516	0.410531	0.233449		
2ndFlrSF	0.059306	0.616423	0.194561	0.070832		
${\tt LowQualFinSF}$	0.007522	0.131185	-0.021272	-0.036363		
${\tt GrLivArea}$	0.100063	0.825489	0.461679	0.231197		
BsmtFullBath	-0.041503	-0.053275	0.137928	0.124553		
${\tt BsmtHalfBath}$	-0.037944	-0.023836	0.028976	-0.077464		
FullBath	0.133115	0.554784	0.243671	0.484557		
HalfBath	-0.068263	0.343415	0.203649	0.196785		
${\tt BedroomAbvGr}$	0.198597	0.676620	0.107570	-0.064518		
KitchenAbvGr	1.000000	0.256045	-0.123936	-0.124411		
${\tt TotRmsAbvGrd}$	0.256045	1.000000	0.326114	0.148112		
Fireplaces	-0.123936	0.326114	1.000000	0.046822		
${\tt GarageYrBlt}$	-0.124411	0.148112	0.046822	1.000000		
GarageCars	-0.050634	0.362289	0.300789	0.588920		
${\tt GarageArea}$	-0.064433	0.337822	0.269141	0.564567		
WoodDeckSF	-0.090130	0.165984	0.200019	0.224577		
OpenPorchSF	-0.070091	0.234192	0.169405	0.228425		
${\tt EnclosedPorch}$	0.037312	0.004151	-0.024822	-0.297003		
3SsnPorch	-0.024600	-0.006683	0.011257	0.023544		
ScreenPorch	-0.051613	0.059383	0.184530	-0.075418		
PoolArea	-0.014525	0.083757	0.095074	-0.014501		
	GarageCars G	arageArea Woo	odDeckSF Ope	enPorchSF End	closedPorch	\
${ t LotFrontage}$	0.285691	0.344997	0.088521	0.151972	0.010700	
LotArea	0.154871	0.180403	.171698	0.084774	-0.018340	
BsmtFinSF1	0.224054	0.296970	.204306	0.111761	-0.102303	
BsmtFinSF2	-0.038264	-0.018227	0.067898	0.003093	0.036543	
${\tt BsmtUnfSF}$	0.214175	0.183303 -0	0.005316	0.129005	-0.002538	
TotalBsmtSF	0.434585	0.486665	.232019	0.247264	-0.095478	
1stFlrSF	0.439317	0.489782	.235459	0.211671	-0.065292	
2ndFlrSF	0.183926	0.138347	0.092165	0.208026	0.061989	
${\tt LowQualFinSF}$	-0.094480	-0.067601 -0	0.025444	0.018251	0.061081	
GrLivArea	0.467247	0.468997	.247433	0.330224	0.009113	

BsmtFullBath	0.131881	0.179189	0.175315	0.067341	-0.049911
BsmtHalfBath	-0.020891	-0.024536	0.040161	-0.025324	-0.008555
FullBath	0.469672	0.405656	0.187703	0.259977	-0.115093
HalfBath	0.219178	0.163549	0.108080	0.199740	-0.095317
${\tt BedroomAbvGr}$	0.086106	0.065253	0.046854	0.093810	0.041570
KitchenAbvGr	-0.050634	-0.064433	-0.090130	-0.070091	0.037312
${\tt TotRmsAbvGrd}$	0.362289	0.337822	0.165984	0.234192	0.004151
Fireplaces	0.300789	0.269141	0.200019	0.169405	-0.024822
GarageYrBlt	0.588920	0.564567	0.224577	0.228425	-0.297003
GarageCars	1.000000	0.882475	0.226342	0.213569	-0.151434
${ t GarageArea}$	0.882475	1.000000	0.224666	0.241435	-0.121777
WoodDeckSF	0.226342	0.224666	1.000000	0.058661	-0.125989
OpenPorchSF	0.213569	0.241435	0.058661	1.000000	-0.093079
EnclosedPorch	-0.151434	-0.121777	-0.125989	-0.093079	1.000000
3SsnPorch	0.035765	0.035087	-0.032771	-0.005842	-0.037305
ScreenPorch	0.050494	0.051412	-0.074181	0.074304	-0.082864
PoolArea	0.020934	0.061047	0.073378	0.060762	0.054203

	3SsnPorch	ScreenPorch	PoolArea
${ t LotFrontage}$	0.070029	0.041383	0.206167
LotArea	0.020423	0.043160	0.077672
BsmtFinSF1	0.026451	0.062021	0.140491
BsmtFinSF2	-0.029993	0.088871	0.041709
BsmtUnfSF	0.020764	-0.012579	-0.035092
TotalBsmtSF	0.037384	0.084489	0.126053
1stFlrSF	0.056104	0.088758	0.131525
2ndFlrSF	-0.024358	0.040606	0.081487
${\tt LowQualFinSF}$	-0.004296	0.026799	0.062157
${\tt GrLivArea}$	0.020643	0.101510	0.170205
BsmtFullBath	-0.000106	0.023148	0.067616
${\tt BsmtHalfBath}$	0.035114	0.032121	0.020025
FullBath	0.035353	-0.008106	0.049604
HalfBath	-0.004972	0.072426	0.022381
${\tt BedroomAbvGr}$	-0.024478	0.044300	0.070703
KitchenAbvGr	-0.024600	-0.051613	-0.014525
${\tt TotRmsAbvGrd}$	-0.006683	0.059383	0.083757
Fireplaces	0.011257	0.184530	0.095074
${ t GarageYrBlt}$	0.023544	-0.075418	-0.014501
GarageCars	0.035765	0.050494	0.020934
${\tt GarageArea}$	0.035087	0.051412	0.061047
WoodDeckSF	-0.032771	-0.074181	0.073378
OpenPorchSF	-0.005842	0.074304	0.060762
${\tt EnclosedPorch}$	-0.037305	-0.082864	0.054203
3SsnPorch	1.000000	-0.031436	-0.007992
ScreenPorch	-0.031436	1.000000	0.051307
PoolArea	-0.007992	0.051307	1.000000

Return  $\mathsf{True}$  for positive or negative correlations that are bigger than 0.75 in the correlation matrix:

# [65]: abs(ames\_preprocessed.corr())>0.75

[65]:		LotFrontage	LotArea	BsmtFinSF1	BsmtFinSF2	BsmtUnfSF	\
	LotFrontage	True	False	False	False	False	
	LotArea	False	True	False	False	False	
	BsmtFinSF1	False	False	True	False	False	
	BsmtFinSF2	False	False	False	True	False	
	BsmtUnfSF	False	False	False	False	True	
	TotalBsmtSF	False	False	False	False	False	
	1stFlrSF	False	False	False	False	False	
	2ndFlrSF	False	False	False	False	False	
	${\tt LowQualFinSF}$	False	False	False	False	False	
	GrLivArea	False	False	False	False	False	
	${\tt BsmtFullBath}$	False	False	False	False	False	
	${\tt BsmtHalfBath}$	False	False	False	False	False	
	FullBath	False	False	False	False	False	
	HalfBath	False	False	False	False	False	
	${\tt BedroomAbvGr}$	False	False	False	False	False	
	KitchenAbvGr	False	False	False	False	False	
	${\tt TotRmsAbvGrd}$	False	False	False	False	False	
	Fireplaces	False	False	False	False	False	
	${\tt GarageYrBlt}$	False	False	False	False	False	
	GarageCars	False	False	False	False	False	
	${\tt GarageArea}$	False	False	False	False	False	
	WoodDeckSF	False	False	False	False	False	
	OpenPorchSF	False	False	False	False	False	
	${\tt EnclosedPorch}$	False	False	False	False	False	
	3SsnPorch	False	False	False	False	False	
	ScreenPorch	False	False	False	False	False	
	PoolArea	False	False	False	False	False	
		TotalBsmtSF	1stFlrSF	2ndFlrSF	LowQualFinSF	GrLivArea	\
	LotFrontage	False	False	False	False	False	`
	LotArea	False	False	False	False	False	
	BsmtFinSF1	False	False	False	False	False	
	BsmtFinSF2	False	False	False	False	False	
	BsmtUnfSF	False	False	False	False	False	
	TotalBsmtSF	True	True	False	False	False	
	1stFlrSF	True	True	False	False	False	
	2ndFlrSF	False	False	True	False	False	
	LowQualFinSF	False	False	False	True	False	
	GrLivArea	False	False	False	False	True	
	BsmtFullBath	False	False	False	False	False	
	BsmtHalfBath	False	False	False	False	False	
	FullBath	False	False	False	False	False	
	rullbatii	raise	raise	raise	raise	raise	

HalfBath	False	False F	alse	False	False	
BedroomAbvGr	False	False F	alse	False	False	
KitchenAbvGr	False	False F	alse	False	False	
TotRmsAbvGrd	False	False F	alse	False	True	
Fireplaces	False	False F	alse	False	False	
GarageYrBlt	False	False F	alse	False	False	
GarageCars	False	False F	alse	False	False	
GarageArea	False	False F	alse	False	False	
WoodDeckSF	False	False F	alse	False	False	
OpenPorchSF	False	False F	alse	False	False	
EnclosedPorch	False	False F	alse	False	False	
3SsnPorch	False	False F	alse	False	False	
ScreenPorch	False	False F	alse	False	False	
PoolArea	False	False F	alse	False	False	
	BsmtFullBath	BsmtHalfBath	FullBath	HalfBath	BedroomAbvGr	\
LotFrontage	False	False	False	False	False	
LotArea	False	False	False	False	False	
BsmtFinSF1	False	False	False	False	False	
BsmtFinSF2	False	False	False	False	False	
BsmtUnfSF	False	False	False	False	False	
TotalBsmtSF	False	False	False	False	False	
1stFlrSF	False	False	False	False	False	
2ndFlrSF	False	False	False	False	False	
${\tt LowQualFinSF}$	False	False	False	False	False	
GrLivArea	False	False	False	False	False	
${\tt BsmtFullBath}$	True	False	False	False	False	
${\tt BsmtHalfBath}$	False	True	False	False	False	
FullBath	False	False	True	False	False	
HalfBath	False	False	False	True	False	
${\tt BedroomAbvGr}$	False	False	False	False	True	
KitchenAbvGr	False	False	False	False	False	
${\tt TotRmsAbvGrd}$	False	False	False	False	False	
Fireplaces	False	False	False	False	False	
GarageYrBlt	False	False	False	False	False	
GarageCars	False	False	False	False	False	
GarageArea	False	False	False	False	False	
WoodDeckSF	False	False	False	False	False	
OpenPorchSF	False	False	False	False	False	
${\tt EnclosedPorch}$	False	False	False	False	False	
3SsnPorch	False	False	False	False	False	
ScreenPorch	False	False	False	False	False	
PoolArea	False	False	False	False	False	
	KitchenAbvGr	${\tt TotRmsAbvGrd}$	Fireplaces	_		
LotFrontage	False	False	False		lse	
I at Aras	Folgo	Falco	Falco	E-	Jao	

False

False

False

False

LotArea

BsmtFinSF1	False	False	False	False
BsmtFinSF2	False	False	False	False
BsmtUnfSF	False	False	False	False
TotalBsmtSF	False	False	False	False
1stFlrSF	False	False	False	False
2ndFlrSF	False	False	False	False
${\tt LowQualFinSF}$	False	False	False	False
GrLivArea	False	True	False	False
BsmtFullBath	False	False	False	False
BsmtHalfBath	False	False	False	False
FullBath	False	False	False	False
HalfBath	False	False	False	False
${\tt BedroomAbvGr}$	False	False	False	False
KitchenAbvGr	True	False	False	False
${\tt TotRmsAbvGrd}$	False	True	False	False
Fireplaces	False	False	True	False
${\tt GarageYrBlt}$	False	False	False	True
GarageCars	False	False	False	False
${ t GarageArea}$	False	False	False	False
WoodDeckSF	False	False	False	False
OpenPorchSF	False	False	False	False
EnclosedPorch	False	False	False	False
3SsnPorch	False	False	False	False
ScreenPorch	False	False	False	False
PoolArea	False	False	False	False

	GarageCars	${\tt GarageArea}$	WoodDeckSF	OpenPorchSF	${\tt EnclosedPorch}$	\
LotFrontage	False	False	False	False	False	
LotArea	False	False	False	False	False	
BsmtFinSF1	False	False	False	False	False	
BsmtFinSF2	False	False	False	False	False	
BsmtUnfSF	False	False	False	False	False	
TotalBsmtSF	False	False	False	False	False	
1stFlrSF	False	False	False	False	False	
2ndFlrSF	False	False	False	False	False	
${\tt LowQualFinSF}$	False	False	False	False	False	
GrLivArea	False	False	False	False	False	
${\tt BsmtFullBath}$	False	False	False	False	False	
${\tt BsmtHalfBath}$	False	False	False	False	False	
FullBath	False	False	False	False	False	
HalfBath	False	False	False	False	False	
${\tt BedroomAbvGr}$	False	False	False	False	False	
KitchenAbvGr	False	False	False	False	False	
${\tt TotRmsAbvGrd}$	False	False	False	False	False	
Fireplaces	False	False	False	False	False	
${\tt GarageYrBlt}$	False	False	False	False	False	
GarageCars	True	True	False	False	False	

${ t GarageArea}$	True	True	False	False	False
WoodDeckSF	False	False	True	False	False
OpenPorchSF	False	False	False	True	False
EnclosedPorch	False	False	False	False	True
3SsnPorch	False	False	False	False	False
ScreenPorch	False	False	False	False	False
PoolArea	False	False	False	False	False

	3SsnPorch	ScreenPorch	PoolArea
LotFrontage	False	False	False
LotArea	False	False	False
BsmtFinSF1	False	False	False
BsmtFinSF2	False	False	False
BsmtUnfSF	False	False	False
TotalBsmtSF	False	False	False
1stFlrSF	False	False	False
2ndFlrSF	False	False	False
LowQualFinSF	False	False	False
GrLivArea	False	False	False
BsmtFullBath	False	False	False
BsmtHalfBath	False	False	False
FullBath	False	False	False
HalfBath	False	False	False
BedroomAbvGr	False	False	False
KitchenAbvGr	False	False	False
TotRmsAbvGrd	False	False	False
Fireplaces	False	False	False
GarageYrBlt	False	False	False
GarageCars	False	False	False
GarageArea	False	False	False
WoodDeckSF	False	False	False
OpenPorchSF	False	False	False
EnclosedPorch	False	False	False
3SsnPorch	True	False	False
ScreenPorch	False	True	False
PoolArea	False	False	True

Now, include stack and zip to create a more robust solution that will return the variable pairs from the correlation matrix that have correlations over .75, but less than 1.

```
df.drop(index = ind, inplace = True)

[79]: df1 = df.loc[df[0]>0.75]
    df1.drop_duplicates(subset = [0], inplace = True)

<ipython-input-79-5ed87f2c7c19>:2: SettingWithCopyWarning:
    A value is trying to be set on a copy of a slice from a DataFrame

See the caveats in the documentation: https://pandas.pydata.org/pandas-
```

docs/stable/user\_guide/indexing.html#returning-a-view-versus-a-copy
 df1.drop\_duplicates(subset = [0], inplace = True)

```
[80]: df1.head()
```

```
[80]: 0 pairs
559 0.882475 (GarageArea, GarageCars)
441 0.825489 (TotRmsAbvGrd, GrLivArea)
167 0.819530 (1stFlrSF, TotalBsmtSF)
```

Which varibles are highly correlated in the Ames Housing data set?

```
[]: # write answer here

"""

There are three sets of variales that are highly correlated.

Garage Area with Garage Cars, Total Rooms Above Ground with Total Square

Feet of Living Space Above Ground, and First Floor Square Feet with Total

Basement Square Feet.

"""
```

#### 1.6 Make a data decision

Now that you know which variables are correlated with eachother, which would you drop from the dataset?

```
[]: # write answer here
```

```
[]: #__SOLUTIOM__
"""

Since three different pairs of variables are highly correlated, the correct approach would be to drop one variable from each pair.

One approach would be to drop Garage Area, Total Rooms, and Total Basement Square Feet.
```

Garage Area: The size of the garage is dependent on how many cars are in it.

If you wanted to still keep the information captured by Garage Area, you could create a new variable "Average space per car" before dropping Garage Area.

Total Rooms: There are other variables that count the number of kitchens, bathrooms, bedrooms, etc.

Total Basement Square Feet: The first floor of a building is usually built upon the foundation, which contains the basement.

To keep the information that there \*is\* a basement, you could create a variable "HasBasement", when TotalBsmtSF > 0, before deleting the original variable.

#### 1.7 Address the colinearity

Remove the chosen variables from ames\_preprocessed.

/opt/anaconda3/envs/learn-env/lib/python3.8/sitepackages/pandas/core/frame.py:4163: SettingWithCopyWarning: A value is trying to be set on a copy of a slice from a DataFrame

See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/stable/user\_guide/indexing.html#returning-a-view-versus-a-copy return super().drop(

#### 1.8 Summary

Good job! You got some hands-on practice creating and interpreting a scatter matrix and correlation matrix to identify if variables are collinear in the Ames Housing data set. You also edited the Ames Housing data set so highly correlated variables are removed.