Lab 3

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R Lab 2. Review of T-tests and F-tests

```
library(tidyverse)
## -- Attaching packages --- tidyverse 1.3.0 --
## v ggplot2 3.3.2
                       v purrr
                                  0.3.4
## v tibble 3.0.3
                        v dplyr
                                  1.0.2
## v tidyr
             1.1.2
                        v stringr 1.4.0
## v readr
             1.3.1
                        v forcats 0.5.0
## -- Conflicts ----- tidyverse_conflicts() --
## x dplyr::filter() masks stats::filter()
## x dplyr::lag()
                     masks stats::lag()
H <- read_csv("HOME_SALES.csv")</pre>
## Parsed with column specification:
## cols(
##
     ID = col_double(),
     SALES_PRICE = col_double(),
##
     FINISHED_AREA = col_double(),
##
     BEDROOMS = col_double(),
##
     BATHROOMS = col_double(),
##
     GARAGE_SIZE = col_double(),
     YEAR_BUILT = col_double(),
##
##
     STYLE = col_double(),
##
     LOT_SIZE = col_double(),
##
     AIR_CONDITIONER = col_character(),
##
     POOL = col_character(),
     QUALITY = col_character(),
##
##
     HIGHWAY = col_character()
## )
head(H)
## # A tibble: 6 x 13
        ID SALES_PRICE FINISHED_AREA BEDROOMS BATHROOMS GARAGE_SIZE YEAR_BUILT
##
##
                                         <dbl>
                                                    <dbl>
                                                                <dbl>
     <dbl>
                 <dbl>
                                <dbl>
                                                                            <dbl>
## 1
         1
                  360
                                 3032
                                              4
                                                                    2
                                                                             1972
## 2
         2
                                                        2
                                                                    2
                  340
                                 2058
                                              4
                                                                             1976
## 3
         3
                  250
                                 1780
                                              4
                                                        3
                                                                    2
                                                                             1980
                                                        2
                                                                    2
## 4
         4
                  206.
                                 1638
                                              4
                                                                             1963
## 5
         5
                  276.
                                 2196
                                                        3
                                                                             1968
```

```
1966
         6
                  248
                                                                            1972
## # ... with 6 more variables: STYLE <dbl>, LOT_SIZE <dbl>,
      AIR_CONDITIONER <chr>, POOL <chr>, QUALITY <chr>, HIGHWAY <chr>
attach(H)
names(H)
##
   [1] "ID"
                           "SALES_PRICE"
                                             "FINISHED_AREA"
                                                                "BEDROOMS"
                           "GARAGE_SIZE"
                                                                "STYLE"
##
    [5] "BATHROOMS"
                                             "YEAR BUILT"
   [9] "LOT_SIZE"
                           "AIR_CONDITIONER" "POOL"
                                                                "QUALITY"
## [13] "HIGHWAY"
plot(FINISHED_AREA, SALES_PRICE)
reg = lm(SALES PRICE ~ FINISHED AREA) #predict SALES PRICE based on FINISHED AREA
abline(reg,col="red",lwd=5)
Yhat = predict(reg, x=FINISHED_AREA) #red line = Yhat = prediction
points(FINISHED_AREA, Yhat, col="blue")
                                                              0
                                                                             0
     800
                                                               0
                                                                        0
SALES_PRICE
     900
                                                                                 0
                                                                                  0
                                                                        0
                                                                 000
     400
                                                              0
     200
           1000
                            2000
                                             3000
                                                              4000
                                                                                5000
                                       FINISHED AREA
predict(reg,data.frame(FINISHED_AREA=c(2500,4000,6000)))
##
          1
## 315.9426 554.3680 872.2684
summary(reg)
##
## Call:
## lm(formula = SALES_PRICE ~ FINISHED_AREA)
##
## Residuals:
##
       Min
                1Q Median
                                 ЗQ
                                        Max
##
  -239.40 -39.84
                     -7.64
                              23.52 388.36
##
## Coefficients:
##
                   Estimate Std. Error t value Pr(>|t|)
```

```
## (Intercept) -81.432946 11.551846 -7.049 5.74e-12 ***
## FINISHED_AREA 0.158950 0.004875 32.605 < 2e-16 ***
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 79.12 on 520 degrees of freedom
## Multiple R-squared: 0.6715, Adjusted R-squared: 0.6709
## F-statistic: 1063 on 1 and 520 DF, p-value: < 2.2e-16
anova(reg)
## Analysis of Variance Table
## Response: SALES_PRICE
                Df Sum Sq Mean Sq F value
                                          Pr(>F)
## FINISHED_AREA 1 6655486 6655486 1063.1 < 2.2e-16 ***
## Residuals
             520 3255426
                             6260
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
```