Final Project

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Project Description

```
set.seed(123)
House_Data = read.table(url('https://raw.githubusercontent.com/zbrotherton2158/okadaStats/master/ames20
```

The study

questions to be answered are the following: • What field does the data come from? This data comes from the assessors office of Ames, Iowa • What are the goals of the study? Are there any effects of particular interest? The purpose of this data is to be able to predict the value of a house in Ames Iowa Our areas of interest are the effect of the neighborhoods, lot area, total rooms above grade, year built, and total square feet on the price of the house. • How might these goals be answered, i.e. tests / confidence intervals? This goal could be answered by a prediction model that, given information about a house, will output a 95% confidence interval predicting the price of the house.

The data

Predictor Variable Spread

j is the column of each selected box

for (j in 1:80){

```
require(tidyverse)
## Loading required package: tidyverse
## -- Attaching core tidyverse packages ----- tidyverse 2.0.0 --
## v dplyr
               1.1.2
                         v readr
                                      2.1.4
## v forcats
               1.0.0
                         v stringr
                                      1.5.0
## v ggplot2
               3.4.2
                         v tibble
                                      3.2.1
## v lubridate 1.9.2
                         v tidyr
                                      1.3.0
## v purrr
               1.0.1
                                         ------tidyverse_conflicts() --
## -- Conflicts -----
## x dplyr::filter() masks stats::filter()
## x dplyr::lag()
                     masks stats::lag()
## i Use the conflicted package (<a href="http://conflicted.r-lib.org/">http://conflicted.r-lib.org/</a>) to force all conflicts to become error
Numerical_Count = length(select_if(House_Data, is.numeric))
Categorical_Count = length(select_if(House_Data, negate(is.numeric)))
Clean "none" values
# NOTE: Might have to revamp
# Turned Nones into 0's for respective rows
```

```
# clear the haveNumbers in case it has values
haveNumbers = c()
# i is the row of each selected box
for (i in 1:2000) {
    # if the selected box is empty, fill it with "None"
    if (House_Data[i,j] == "") {
        House_Data[i,j] = "None"
    }
    # record whether the selected box contained a number in a list called haveNumbers
    haveNumbers = c(haveNumbers, !grepl("\\D", House_Data[i,j]))
}
# if any of the selected boxes in the column contain a number,
# replace all "None"s in the column with Os
if (any(haveNumbers) && (j != 59)) {
    House_Data[j] = replace(House_Data[j], House_Data[j] == "None", 0)
}
```

Correlation Info

Numerical Correlation

```
require(corrplot)

## Loading required package: corrplot

## corrplot 0.92 loaded

require(dplyr)
```

Numerical_Correlations = cor(House_Data_Numerical, House_Data_Numerical\$SalePrice)

Analysis

• How are the predictor variables spread out? Are there any noteworthy features to their spread that could be highly influential observations?

The variables are seemingly random between discrete, ordinal, nominal, and continuous types of variables. Of these, we found 26 to be numerical and 54 categorical. Within the discrete variables, variables with a spread like fireplaces where despite being numerical only have values of 1 - arbitrarily small number may have a higher effect on the price per unit increase.

• Are any of the predictor variables highly correlated?

The highest correlation numerical variables are:

- Overall Quality (~0.805)
- Gr. Living Area (~ 0.720)
- Year Built (~0.57)
- Full Bath (~0.561)
- Year Remodeled (~0.535)
- Rooms Above Ground (~0.504)
- Fireplace (~0.48)
- 1st Floor Square Ft. (~0.619)

• 2nd Floor Square Ft. $(\sim 0.295)^*$

The most statistically significant categorical variables are:

The models

• Which predictor variables, if any, should be included in the model a priority?

The highest correlation numerical variables and most statistically significant categorical listed under "The Data" are of the most interest and are the most prioritized in the model. (Neighborhoods, lot area, total rooms above grade, year built, and total square feet etc.)

- Are there any interactions that should be considered for inclusion in the model?
- Are there any three way interactions that should be considered?
- Are there any interactions that should NOT be considered?

Model Draft

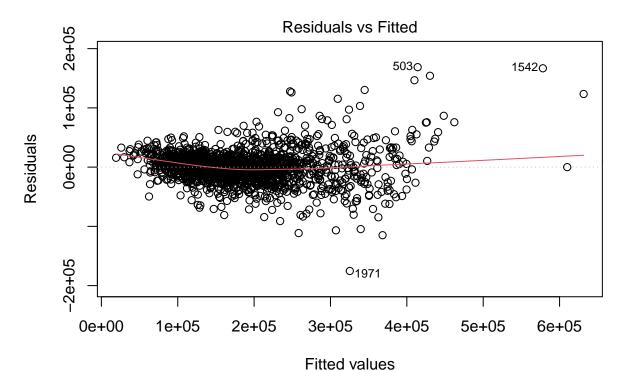
```
#factorize these?
model = lm(SalePrice ~
             #Numerical
             Overall.Qual +
             Gr.Liv.Area +
             Year.Built +
             Year.Remod.Add +
             Full.Bath +
             #Categorical
             Neighborhood +
             Condition.1 +
             Condition.2 +
             Bldg.Type +
             House.Style +
             Roof.Matl +
             Exter.Qual +
             BsmtFin.Type.1 +
             Kitchen.Qual +
             Fireplace.Qu +
             Garage.Type +
             Pool.QC
           , House_Data)
summary(model)
```

```
##
## Call:
  lm(formula = SalePrice ~ Overall.Qual + Gr.Liv.Area + Year.Built +
##
##
       Year.Remod.Add + Full.Bath + Neighborhood + Condition.1 +
       Condition.2 + Bldg.Type + House.Style + Roof.Matl + Exter.Qual +
##
##
       BsmtFin.Type.1 + Kitchen.Qual + Fireplace.Qu + Garage.Type +
##
       Pool.QC, data = House_Data)
##
## Residuals:
       Min
                1Q Median
                                3Q
##
                                       Max
  -175321 -11880
                       247
                             11314
##
                                    168763
## Coefficients:
                         Estimate Std. Error t value Pr(>|t|)
##
```

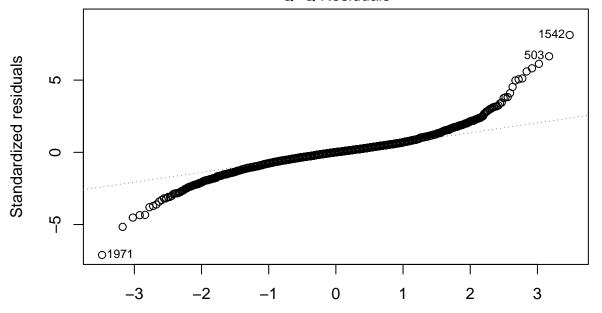
```
## (Intercept)
                        -1.563e+06
                                    1.335e+05 -11.710
                                                        < 2e-16 ***
  Overall.Qual
                         1.112e+04
                                    8.454e+02
                                                13.157
                                                        < 2e-16 ***
                                                        < 2e-16 ***
  Gr.Liv.Area
                         7.224e+01
                                     2.535e+00
                                                28.496
                                    5.012e+01
  Year.Built
                         3.917e+02
                                                 7.815 9.00e-15 ***
   Year.Remod.Add
                         2.151e+02
                                     4.376e+01
                                                 4.914 9.67e-07
##
  Full.Bath
                        -3.675e+02
                                     1.710e+03
                                                -0.215 0.829912
  NeighborhoodBlueste
                         1.828e+04
                                     1.189e+04
                                                 1.537 0.124461
  NeighborhoodBrDale
                         1.143e+04
                                     1.115e+04
                                                 1.025 0.305435
   NeighborhoodBrkSide
                         3.614e+03
                                     8.636e+03
                                                 0.418 0.675639
   NeighborhoodClearCr
                         8.601e+03
                                    8.941e+03
                                                 0.962 0.336186
   NeighborhoodCollgCr -1.040e+03
                                     7.565e+03
                                                -0.137 0.890723
   NeighborhoodCrawfor
                         2.429e+04
                                     8.226e+03
                                                 2.953 0.003186
   NeighborhoodEdwards -6.826e+03
                                                -0.851 0.395019
                                    8.023e+03
   NeighborhoodGilbert -5.213e+03
                                     7.926e+03
                                                -0.658 0.510865
  NeighborhoodGreens
                         3.069e+04
                                     1.390e+04
                                                 2.208 0.027372 *
   NeighborhoodGrnHill
                         1.349e+05
                                     2.675e+04
                                                 5.043 5.01e-07
   NeighborhoodIDOTRR
                        -4.556e+03
                                    8.758e+03
                                                -0.520 0.602974
   NeighborhoodMeadowV
                         4.262e+03
                                     9.213e+03
                                                 0.463 0.643677
   NeighborhoodMitchel -1.726e+02
                                                -0.021 0.983122
                                    8.160e+03
   NeighborhoodNonemes -4.933e+03
                                    7.817e+03
                                                -0.631 0.528044
   NeighborhoodNoRidge
                         4.258e+04
                                    8.275e+03
                                                 5.145 2.94e-07
   NeighborhoodNPkVill
                         7.279e+03
                                     1.035e+04
                                                 0.703 0.481867
  NeighborhoodNridgHt
                         2.902e+04
                                                 3.754 0.000180 ***
                                     7.732e+03
   NeighborhoodNWAmes
                        -7.734e+03
                                    8.056e+03
                                                -0.960 0.337142
   NeighborhoodOldTown -4.345e+03
                                    8.381e+03
                                                -0.518 0.604218
   NeighborhoodSawyer
                        -2.401e+03
                                     8.111e+03
                                                -0.296 0.767243
   NeighborhoodSawyerW -5.168e+03
                                     7.917e+03
                                                -0.653 0.514036
   NeighborhoodSomerst
                         1.342e+04
                                    7.525e+03
                                                 1.783 0.074778
   NeighborhoodStoneBr
                         4.447e+04
                                    8.291e+03
                                                 5.363 9.16e-08 ***
  NeighborhoodSWISU
                        -6.571e+03
                                     9.406e+03
                                                -0.699 0.484919
   NeighborhoodTimber
                         1.022e+04
                                     8.186e+03
                                                 1.248 0.212157
   NeighborhoodVeenker
                         7.593e+03
                                     9.925e+03
                                                 0.765 0.444311
   Condition.1Feedr
                         5.204e+03
                                     4.385e+03
                                                 1.187 0.235511
  Condition.1Norm
                         1.155e+04
                                                 3.223 0.001290
                                     3.584e+03
   Condition.1PosA
                         1.742e+04
                                     8.351e+03
                                                 2.086 0.037107
   Condition.1PosN
                         1.337e+04
                                    6.768e+03
                                                 1.976 0.048323
   Condition. 1RRAe
                        -5.366e+03
                                     7.140e+03
                                                -0.752 0.452413
  Condition.1RRAn
                         1.182e+04
                                    6.178e+03
                                                 1.914 0.055823
   Condition. 1RRNe
                         4.854e+03
                                     1.226e+04
                                                 0.396 0.692291
   Condition.1RRNn
                         4.248e+03
                                                 0.422 0.673398
                                     1.008e+04
   Condition.2Feedr
                         1.217e+04
                                     1.775e+04
                                                 0.686 0.493015
  Condition.2Norm
                         1.639e+04
                                     1.544e+04
                                                 1.061 0.288823
  Condition.2PosA
                         1.678e+05
                                     3.118e+04
                                                 5.382 8.29e-08
## Condition.2PosN
                         1.557e+04
                                    2.246e+04
                                                 0.693 0.488230
## Condition.2RRAn
                         1.492e+04
                                     3.055e+04
                                                 0.489 0.625222
## Condition.2RRNn
                         3.422e+04
                                     2.412e+04
                                                 1.418 0.156228
  Bldg.Type2fmCon
                        -6.220e+03
                                     4.261e+03
                                                -1.460 0.144512
   Bldg.TypeDuplex
                        -2.404e+04
                                     3.698e+03
                                                -6.502 1.01e-10
  Bldg.TypeTwnhs
                        -3.702e+04
                                     4.662e+03
                                                -7.942 3.37e-15 ***
## Bldg.TypeTwnhsE
                        -2.537e+04
                                     2.883e+03
                                                -8.800
                                                        < 2e-16
  House.Style1.5Unf
                                                 2.364 0.018184
                         1.735e+04
                                    7.340e+03
## House.Style1Story
                         1.516e+04
                                    2.452e+03
                                                 6.184 7.61e-10 ***
## House.Style2.5Fin
                        -3.887e+04
                                    1.617e+04
                                                -2.404 0.016317 *
## House.Style2.5Unf
                        -1.400e+04
                                    7.326e+03
                                                -1.911 0.056180 .
```

```
## House.Style2Story
                       -5.745e+03 2.470e+03 -2.326 0.020144 *
## House.StyleSFoyer
                        2.236e+04 4.353e+03
                                              5.136 3.09e-07 ***
                        1.872e+03
                                              0.488 0.625944
## House.StyleSLvl
                                  3.841e+03
## Roof.MatlCompShg
                                             14.780
                        4.675e+05 3.163e+04
                                                     < 2e-16 ***
## Roof.MatlMembran
                       5.216e+05 4.123e+04
                                             12.651
                                                     < 2e-16 ***
## Roof.MatlMetal
                       5.042e+05 4.166e+04
                                             12.104
                                                     < 2e-16 ***
## Roof.MatlTar&Grv
                       4.679e+05 3.180e+04
                                             14.714
                                                     < 2e-16 ***
## Roof.MatlWdShake
                        4.536e+05 3.312e+04
                                             13.697
                                                     < 2e-16 ***
## Roof.MatlWdShngl
                       5.400e+05
                                  3.346e+04
                                             16.138
                                                     < 2e-16 ***
## Exter.QualFa
                       -3.895e+04 7.725e+03
                                            -5.042 5.05e-07 ***
## Exter.QualGd
                       -3.860e+04 4.236e+03
                                             -9.113
                                                     < 2e-16 ***
## Exter.QualTA
                                             -8.556 < 2e-16 ***
                       -4.044e+04 4.727e+03
## BsmtFin.Type.1BLQ
                      -2.936e+03 2.483e+03
                                             -1.182 0.237187
                                             1.572 0.116114
## BsmtFin.Type.1GLQ
                        3.455e+03 2.198e+03
## BsmtFin.Type.1LwQ
                                            -2.999 0.002742 **
                       -9.276e+03 3.093e+03
## BsmtFin.Type.1None
                      -1.951e+04 4.268e+03
                                             -4.570 5.19e-06 ***
## BsmtFin.Type.1Rec
                       -8.032e+03 2.495e+03
                                             -3.220 0.001305 **
## BsmtFin.Type.1Unf
                      -1.395e+04 2.086e+03
                                             -6.688 2.96e-11 ***
## Kitchen.QualFa
                       -3.949e+04 5.175e+03
                                             -7.631 3.65e-14 ***
## Kitchen.QualGd
                       -3.662e+04 3.096e+03 -11.828
                                                     < 2e-16 ***
## Kitchen.QualTA
                       -3.797e+04 3.460e+03 -10.974
                                                     < 2e-16 ***
## Fireplace.QuFa
                                             -0.818 0.413178
                       -5.531e+03 6.758e+03
## Fireplace.QuGd
                       -3.105e+03 5.555e+03
                                             -0.559 0.576219
## Fireplace.QuNone
                       -9.656e+03 5.722e+03
                                             -1.688 0.091642 .
## Fireplace.QuPo
                       -6.238e+03 7.274e+03
                                            -0.858 0.391209
## Fireplace.QuTA
                       -7.968e+03 5.671e+03
                                            -1.405 0.160124
## Garage.TypeAttchd
                       7.678e+03 6.923e+03
                                              1.109 0.267526
## Garage.TypeBasment
                       1.014e+03 8.647e+03
                                             0.117 0.906682
## Garage.TypeBuiltIn
                       7.441e+03 7.417e+03
                                             1.003 0.315854
                        5.188e+03
## Garage.TypeCarPort
                                  1.010e+04
                                              0.514 0.607637
## Garage.TypeDetchd
                        9.093e+03
                                  6.977e+03
                                              1.303 0.192633
## Garage.TypeNone
                        2.550e+03
                                  7.335e+03
                                              0.348 0.728089
## Pool.QCFa
                       -5.726e+04
                                  2.421e+04
                                             -2.365 0.018134 *
## Pool.QCGd
                       -3.024e+04
                                  2.188e+04
                                             -1.382 0.167134
## Pool.QCNone
                       -5.314e+04
                                  1.547e+04
                                             -3.435 0.000605 ***
## Pool.QCTA
                       -3.119e+04 2.419e+04
                                             -1.289 0.197416
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 25770 on 1910 degrees of freedom
## Multiple R-squared: 0.8969, Adjusted R-squared: 0.8921
## F-statistic: 186.8 on 89 and 1910 DF, p-value: < 2.2e-16
plot(model)
## Warning: not plotting observations with leverage one:
```

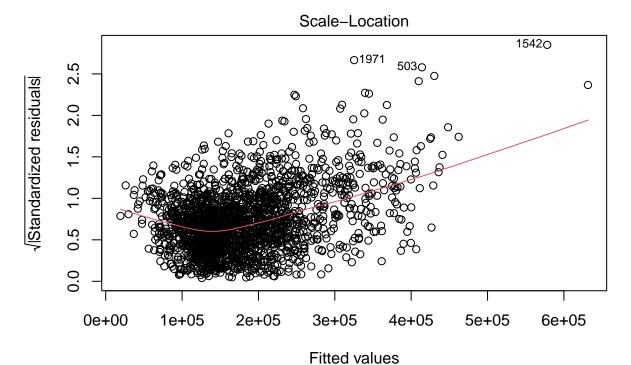
142, 664, 1234, 1302, 1546, 1729



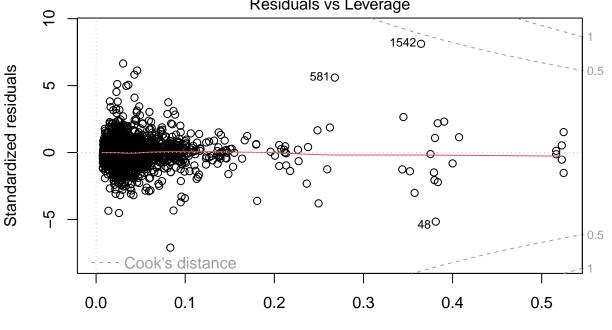
Im(SalePrice ~ Overall.Qual + Gr.Liv.Area + Year.Built + Year.Remod.Add + F ... Q-Q Residuals



Theoretical Quantiles Im(SalePrice ~ Overall.Qual + Gr.Liv.Area + Year.Built + Year.Remod.Add + F ...



Im(SalePrice ~ Overall.Qual + Gr.Liv.Area + Year.Built + Year.Remod.Add + F ... Residuals vs Leverage



Leverage Im(SalePrice ~ Overall.Qual + Gr.Liv.Area + Year.Built + Year.Remod.Add + F ...

```
#to investigate numerical variables
House_Data_Numerical = data.frame(select_if(House_Data, is.numeric))
print(cor(House_Data_Numerical, House_Data_Numerical$SalePrice))
```

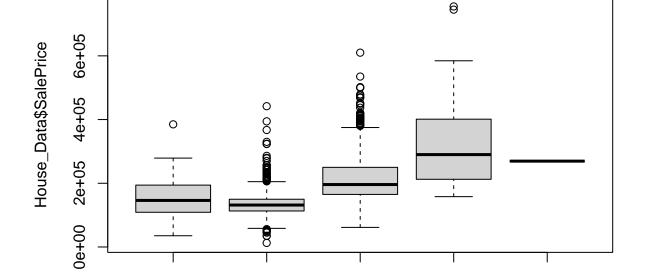
[,1] ## MS.SubClass -0.07520213

```
0.24399035
## Lot.Area
## Overall.Qual
                    0.80454673
## Overall.Cond
                   -0.12019006
## Year.Built
                    0.57171649
## Year.Remod.Add
                    0.53496165
## X1st.Flr.SF
                    0.61912063
## X2nd.Flr.SF
                    0.29593043
## Low.Qual.Fin.SF -0.05105615
## Gr.Liv.Area
                    0.72092212
## Full.Bath
                    0.56122804
## Half.Bath
                    0.28746758
## Bedroom.AbvGr
                    0.15392465
## Kitchen.AbvGr
                   -0.12968211
## TotRms.AbvGrd
                    0.50427974
## Fireplaces
                    0.48079444
## Wood.Deck.SF
                    0.32936851
## Open.Porch.SF
                    0.31620588
## Enclosed.Porch
                   -0.12835243
## X3Ssn.Porch
                    0.03014930
## Screen.Porch
                    0.09847254
## Pool.Area
                    0.08364937
## Misc.Val
                   -0.01175391
## Mo.Sold
                    0.03268045
## Yr.Sold
                   -0.02830382
## SalePrice
                    1.0000000
```

#to investigate categories library(tidyverse) House_Data_Categorical = data.frame(select_if(House_Data, negate(is.numeric))) House_Data_Categorical\$SalePrice = House_Data\$SalePrice

boxplot(House_Data\$SalePrice ~ House_Data\$Full.Bath)

0



1

House_Data\$Full.Bath

2

3

4

```
sapply(lapply(House_Data_Categorical, unique), length)
##
                     Lot.Frontage
                                           Street
                                                            Allev
                                                                        Lot.Shape
        MS.Zoning
##
                                                2
                              121
                                                                3
                                                       Land.Slope
##
     Land.Contour
                        Utilities
                                       Lot.Config
                                                                     Neighborhood
##
                                 1
                                                5
                                                                3
                                                                               27
##
      Condition.1
                      Condition.2
                                                                       Roof.Style
                                        Bldg.Type
                                                      House.Style
##
                                                5
                                                                8
                 9
                                                     Mas.Vnr.Type
##
        Roof.Matl
                     Exterior.1st
                                     Exterior.2nd
                                                                     Mas.Vnr.Area
##
                 7
                               14
                                                                5
                                                                              362
                                                                        Bsmt.Cond
##
       Exter.Qual
                       Exter.Cond
                                       Foundation
                                                        Bsmt.Qual
##
                                                                6
                                                6
##
                                     BsmtFin.SF.1 BsmtFin.Type.2
                                                                     BsmtFin.SF.2
    Bsmt.Exposure BsmtFin.Type.1
##
                5
                                              816
                                                                7
                                                                              211
##
      Bsmt.Unf.SF
                                                                      Central.Air
                    Total.Bsmt.SF
                                                       Heating.QC
                                          Heating
##
              927
                              870
                                                6
                                                                5
##
       Electrical
                  Bsmt.Full.Bath Bsmt.Half.Bath
                                                                       Functional
                                                     Kitchen.Qual
##
                                4
##
     Fireplace.Qu
                      Garage.Type
                                    Garage.Yr.Blt
                                                    Garage.Finish
                                                                      Garage.Cars
                                              101
##
##
      Garage.Area
                      Garage.Qual
                                      Garage.Cond
                                                      Paved.Drive
                                                                          Pool.QC
##
              530
                                 6
                                                6
                                                                3
##
            Fence
                     Misc.Feature
                                        Sale. Type Sale. Condition
                                                                        SalePrice
                 5
                                5
                                               10
                                                                6
                                                                              812
investigative_lm = lm(SalePrice ~ ., data = subset(House_Data_Categorical,
select = -c(Utilities,Lot.Frontage,Mas.Vnr.Area,BsmtFin.SF.1,BsmtFin.SF.2,Bsmt.Unf.SF,Total.Bsmt.SF,Gar
summary(investigative_lm)
##
## Call:
## lm(formula = SalePrice ~ ., data = subset(House_Data_Categorical,
       select = -c(Utilities, Lot.Frontage, Mas.Vnr.Area, BsmtFin.SF.1,
           BsmtFin.SF.2, Bsmt.Unf.SF, Total.Bsmt.SF, Garage.Yr.Blt,
##
##
           Garage.Area)))
##
##
   Residuals:
##
       Min
                 1Q
                    Median
                                 3Q
                                         Max
##
   -144541
            -14322
                       -562
                              12866
                                      194373
##
## Coefficients: (4 not defined because of singularities)
##
                            Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                           102212.56
                                      101049.52
                                                    1.012 0.311911
## MS.ZoningC (all)
                           -70026.08
                                        53994.08
                                                  -1.297 0.194828
## MS.ZoningFV
                           -38154.37
                                        52605.88
                                                  -0.725 0.468372
## MS.ZoningI (all)
                                        62500.84
                                                  -0.984 0.325067
                           -61524.07
## MS.ZoningRH
                                                  -0.331 0.740576
                           -17745.71
                                        53589.37
## MS.ZoningRL
                           -32848.29
                                        52297.62
                                                  -0.628 0.530018
## MS.ZoningRM
                           -39135.55
                                        52732.20
                                                  -0.742 0.458091
## StreetPave
                            30577.58
                                        12334.38
                                                   2.479 0.013266 *
## AlleyNone
                             2242.23
                                         4129.22
                                                    0.543 0.587188
## AlleyPave
                                                    1.484 0.138119
                             9613.18
                                         6480.05
## Lot.ShapeIR2
                             7184.25
                                         4428.17
                                                    1.622 0.104897
```

4

6

6

5

2.947 0.003250 **

8961.83

26411.54

Lot.ShapeIR3

```
## Lot.ShapeReg
                            -1532.60
                                         1701.81
                                                   -0.901 0.367938
## Land.ContourHLS
                            -2867.03
                                         5439.59
                                                   -0.527 0.598213
  Land.ContourLow
                            -4397.28
                                         7080.96
                                                   -0.621 0.534680
## Land.ContourLvl
                             3408.24
                                         4013.35
                                                    0.849 0.395870
## Lot.ConfigCulDSac
                             4155.25
                                         3394.35
                                                    1.224 0.221053
## Lot.ConfigFR2
                                         4402.24
                                                   -2.823 0.004804
                           -12429.56
## Lot.ConfigFR3
                             1975.85
                                         8475.34
                                                    0.233 0.815688
## Lot.ConfigInside
                             -742.31
                                         1886.27
                                                   -0.394 0.693972
  Land.SlopeMod
                             9290.98
                                         4249.42
                                                    2.186 0.028916 *
   Land.SlopeSev
                             5658.60
                                        10604.63
                                                    0.534 0.593687
   NeighborhoodBlueste
                             2788.41
                                        14594.74
                                                    0.191 0.848504
   NeighborhoodBrDale
                             17977.72
                                        13610.67
                                                    1.321 0.186721
   NeighborhoodBrkSide
                                        10724.36
                                                    0.297 0.766482
                             3185.40
                                                    2.161 0.030847 *
   NeighborhoodClearCr
                             23704.93
                                        10970.60
  NeighborhoodCollgCr
                             6020.35
                                         8966.76
                                                    0.671 0.502049
   NeighborhoodCrawfor
                            37284.29
                                         9872.93
                                                    3.776 0.000164 ***
   NeighborhoodEdwards
                                                   -0.623 0.533691
                            -5932.40
                                         9529.90
   NeighborhoodGilbert
                            -5951.83
                                         9427.24
                                                   -0.631 0.527898
   NeighborhoodGreens
                            25179.35
                                        16724.32
                                                    1.506 0.132361
   NeighborhoodGrnHill
                           178580.75
                                        30844.06
                                                    5.790 8.32e-09
   NeighborhoodIDOTRR
                             8013.96
                                        11418.60
                                                    0.702 0.482876
   NeighborhoodMeadowV
                           -17518.38
                                        12082.35
                                                   -1.450 0.147260
  NeighborhoodMitchel
                                         9818.11
                                                   -0.015 0.988017
                             -147.48
   NeighborhoodNonemes
                            -3076.94
                                         9421.15
                                                   -0.327 0.744010
   NeighborhoodNoRidge
                             68087.42
                                         9706.60
                                                    7.015 3.27e-12 ***
   NeighborhoodNPkVill
                            35445.77
                                        19543.50
                                                    1.814 0.069896
   {\tt NeighborhoodNridgHt}
                            33772.89
                                         9162.80
                                                    3.686 0.000235
   NeighborhoodNWAmes
                             12253.53
                                         9743.10
                                                    1.258 0.208680
   NeighborhoodOldTown
                             -586.23
                                        10656.03
                                                   -0.055 0.956133
  NeighborhoodSawyer
                            -3339.80
                                                   -0.344 0.730948
                                         9711.03
   NeighborhoodSawyerW
                             5637.89
                                         9465.84
                                                    0.596 0.551516
   NeighborhoodSomerst
                            30007.56
                                        10285.40
                                                    2.917 0.003573 **
   NeighborhoodStoneBr
                            60176.28
                                        10012.79
                                                    6.010 2.25e-09
   NeighborhoodSWISU
                            -2593.34
                                        11225.24
                                                   -0.231 0.817320
   NeighborhoodTimber
                                                    1.172 0.241359
                            11275.52
                                         9620.83
  NeighborhoodVeenker
                            27901.75
                                        12226.09
                                                    2.282 0.022599
   Condition.1Feedr
                             1482.41
                                         5211.84
                                                    0.284 0.776113
  Condition.1Norm
                                                    3.100 0.001963 **
                             13234.59
                                         4268.58
  Condition.1PosA
                            33193.38
                                         9634.87
                                                    3.445 0.000584 ***
  Condition.1PosN
                                         7916.63
                                                    2.141 0.032376 *
                             16952.90
   Condition. 1RRAe
                             2961.98
                                         8404.43
                                                    0.352 0.724557
## Condition.1RRAn
                             3440.72
                                         7302.91
                                                    0.471 0.637597
## Condition.1RRNe
                             2978.83
                                        14480.67
                                                    0.206 0.837040
## Condition.1RRNn
                              -861.61
                                        11820.56
                                                   -0.073 0.941901
## Condition.2Feedr
                           -10258.31
                                        20496.05
                                                   -0.501 0.616784
## Condition.2Norm
                           -20107.93
                                        18055.32
                                                   -1.114 0.265566
## Condition.2PosA
                           148180.65
                                        36261.41
                                                    4.086 4.58e-05 ***
## Condition.2PosN
                           -15973.62
                                        25935.24
                                                   -0.616 0.538037
## Condition.2RRAn
                            -7814.35
                                        35020.46
                                                   -0.223 0.823455
   Condition.2RRNn
                           -13907.84
                                        28129.12
                                                   -0.494 0.621065
  Bldg.Type2fmCon
                                         5176.24
                                                   -1.262 0.207126
                            -6532.26
## Bldg.TypeDuplex
                             3706.68
                                         4522.89
                                                    0.820 0.412589
## Bldg.TypeTwnhs
                           -42601.30
                                         5801.08
                                                   -7.344 3.16e-13 ***
## Bldg.TypeTwnhsE
                           -34080.03
                                         3731.01
                                                   -9.134 < 2e-16 ***
```

```
## House.Style1.5Unf
                            -9375.22
                                         9065.75
                                                  -1.034 0.301214
## House.Style1Story
                           -14093.61
                                                  -5.068 4.45e-07 ***
                                         2781.17
## House.Style2.5Fin
                                                    3.593 0.000336 ***
                            65513.41
                                        18233.80
## House.Style2.5Unf
                            12540.77
                                         9230.79
                                                    1.359 0.174453
## House.Style2Story
                             1522.01
                                         2942.51
                                                   0.517 0.605048
## House.StyleSFoyer
                                         5376.80
                                                  -5.996 2.45e-09 ***
                           -32238.74
## House.StyleSLvl
                           -21085.77
                                         4604.82
                                                  -4.579 5.00e-06 ***
## Roof.StyleGable
                            31046.78
                                        15874.58
                                                    1.956 0.050652
  Roof.StyleGambrel
                            42793.53
                                        17871.68
                                                    2.394 0.016747 *
   Roof.StyleHip
                            39773.70
                                        15972.45
                                                    2.490 0.012860 *
## Roof.StyleMansard
                            24593.05
                                        23406.18
                                                    1.051 0.293537
## Roof.StyleShed
                           -47819.07
                                        38691.74
                                                  -1.236 0.216661
## Roof.MatlCompShg
                                        38284.46
                                                   7.617 4.20e-14 ***
                           291617.12
## Roof.MatlMembran
                           323216.58
                                        53671.20
                                                    6.022 2.09e-09 ***
## Roof.MatlMetal
                           286483.50
                                        52932.46
                                                    5.412 7.08e-08 ***
## Roof.MatlTar&Grv
                           308147.75
                                        41379.16
                                                    7.447 1.49e-13 ***
## Roof.MatlWdShake
                                                   7.468 1.28e-13 ***
                           304350.03
                                        40755.51
                                                          < 2e-16 ***
## Roof.MatlWdShngl
                           398305.77
                                        40968.01
                             2122.09
                                        33814.75
                                                   0.063 0.949968
## Exterior.1stAsphShn
## Exterior.1stBrkComm
                            30124.37
                                        20436.64
                                                    1.474 0.140650
## Exterior.1stBrkFace
                            36058.92
                                        11786.10
                                                    3.059 0.002251
## Exterior.1stCBlock
                           -25020.94
                                        41390.84
                                                  -0.605 0.545586
## Exterior.1stCemntBd
                            64254.75
                                        24479.00
                                                    2.625 0.008742 **
## Exterior.1stHdBoard
                             4824.93
                                        11614.07
                                                    0.415 0.677871
## Exterior.1stMetalSd
                            -2535.91
                                        14809.80
                                                  -0.171 0.864061
## Exterior.1stPlywood
                            17232.67
                                        11331.43
                                                    1.521 0.128493
## Exterior.1stStone
                            22893.52
                                        36986.71
                                                    0.619 0.536018
## Exterior.1stStucco
                             8300.40
                                        13531.61
                                                    0.613 0.539686
## Exterior.1stVinylSd
                              282.73
                                        13111.39
                                                   0.022 0.982798
## Exterior.1stWd Sdng
                                        11172.45
                                                    0.378 0.705168
                             4227.83
## Exterior.1stWdShing
                            -6596.56
                                        12537.85
                                                  -0.526 0.598863
## Exterior.2ndAsphShn
                             8496.93
                                        26396.47
                                                    0.322 0.747569
## Exterior.2ndBrk Cmn
                           -15276.71
                                        20792.90
                                                  -0.735 0.462615
## Exterior.2ndBrkFace
                                                  -0.524 0.600591
                            -6805.11
                                        12995.67
## Exterior.2ndCBlock
                                                   0.804 0.421567
                            21606.10
                                        26876.81
## Exterior.2ndCmentBd
                           -39244.16
                                        24796.76
                                                  -1.583 0.113684
## Exterior.2ndHdBoard
                             4763.94
                                        11905.14
                                                   0.400 0.689088
## Exterior.2ndImStucc
                                                   0.859 0.390338
                            13405.43
                                        15601.93
## Exterior.2ndMetalSd
                                                   0.990 0.322092
                            14940.04
                                        15084.16
## Exterior.2ndOther
                                        32652.27
                                                  -0.214 0.830940
                            -6972.15
## Exterior.2ndPlywood
                            -2752.58
                                        11340.08
                                                  -0.243 0.808243
## Exterior.2ndStone
                           -23969.45
                                        21154.72
                                                  -1.133 0.257345
## Exterior.2ndStucco
                            -6111.62
                                        13500.36
                                                  -0.453 0.650820
## Exterior.2ndVinylSd
                            11065.56
                                        13179.19
                                                   0.840 0.401233
## Exterior.2ndWd Sdng
                             5408.17
                                        11452.92
                                                   0.472 0.636836
## Exterior.2ndWd Shng
                             9885.27
                                        12412.42
                                                   0.796 0.425906
## Mas.Vnr.TypeBrkFace
                            -1830.69
                                         8189.07
                                                  -0.224 0.823131
  Mas.Vnr.TypeCBlock
                            51131.23
                                        48170.98
                                                    1.061 0.288629
## Mas.Vnr.TypeNone
                            -7119.98
                                         8108.83
                                                  -0.878 0.380034
## Mas.Vnr.TypeStone
                             1673.16
                                         8522.55
                                                   0.196 0.844381
## Exter.QualFa
                                                  -4.082 4.66e-05 ***
                                         9910.51
                           -40456.73
## Exter.QualGd
                           -31067.19
                                         4982.65
                                                  -6.235 5.64e-10 ***
## Exter.QualTA
                           -40208.55
                                         5535.56
                                                  -7.264 5.62e-13 ***
## Exter.CondFa
                            -2944.14
                                        12352.40
                                                  -0.238 0.811641
```

```
## Exter.CondGd
                             5917.84
                                        11157.30
                                                    0.530 0.595901
## Exter.CondTA
                             2136.43
                                        10990.99
                                                    0.194 0.845900
                                                    0.760 0.447648
## FoundationCBlock
                             2419.57
                                         3185.69
## FoundationPConc
                                                    1.554 0.120433
                             5378.59
                                         3461.78
## FoundationSlab
                             7301.32
                                        10045.83
                                                    0.727 0.467444
## FoundationStone
                             2660.00
                                        12666.27
                                                    0.210 0.833687
## FoundationWood
                              467.26
                                        15489.64
                                                    0.030 0.975938
## Bsmt.QualFa
                           -45219.32
                                         6305.02
                                                   -7.172 1.08e-12 ***
## Bsmt.QualGd
                           -28962.66
                                         3564.80
                                                   -8.125 8.34e-16 ***
## Bsmt.QualNone
                           -75661.72
                                        41329.46
                                                   -1.831 0.067314
## Bsmt.QualPo
                           -19943.89
                                        34000.29
                                                   -0.587 0.557561
## Bsmt.QualTA
                           -36519.97
                                         4343.06
                                                   -8.409
                                                          < 2e-16
## Bsmt.CondFa
                            -8836.65
                                        18456.14
                                                   -0.479 0.632146
## Bsmt.CondGd
                            -6137.91
                                        18339.06
                                                   -0.335 0.737898
## Bsmt.CondNone
                                  NA
                                              NA
                                                       NA
## Bsmt.CondPo
                           -23919.49
                                        29010.61
                                                   -0.825 0.409762
  Bsmt.CondTA
                                        18034.00
                                                   -0.294 0.768441
                            -5310.28
   Bsmt.ExposureGd
                            22083.62
                                                    7.182 1.01e-12
                                         3074.91
## Bsmt.ExposureMn
                            -4716.21
                                         3182.27
                                                   -1.482 0.138512
## Bsmt.ExposureNo
                            -7811.00
                                         2379.86
                                                  -3.282 0.001050 **
## Bsmt.ExposureNone
                           -16393.13
                                        20709.61
                                                  -0.792 0.428717
## BsmtFin.Type.1BLQ
                                                  -0.507 0.612117
                            -1501.57
                                         2960.84
## BsmtFin.Type.1GLQ
                             4677.70
                                         2625.31
                                                    1.782 0.074959
## BsmtFin.Type.1LwQ
                              850.35
                                         3806.73
                                                    0.223 0.823264
## BsmtFin.Type.1None
                                   NA
                                              NA
                                                       NΑ
                                                                NA
## BsmtFin.Type.1Rec
                            -1782.76
                                         3004.65
                                                   -0.593 0.553033
                            -6296.59
## BsmtFin.Type.1Unf
                                         2678.74
                                                   -2.351 0.018854
## BsmtFin.Type.2BLQ
                            -6565.09
                                         6641.78
                                                  -0.988 0.323066
## BsmtFin.Type.2GLQ
                             5646.08
                                         8204.56
                                                    0.688 0.491440
                                                  -0.488 0.625753
## BsmtFin.Type.2LwQ
                            -3126.87
                                         6410.16
## BsmtFin.Type.2None
                            19222.90
                                        29660.80
                                                    0.648 0.517010
  BsmtFin.Type.2Rec
                            -4176.83
                                         6370.39
                                                   -0.656 0.512126
   BsmtFin.Type.2Unf
                             -692.52
                                         5244.37
                                                   -0.132 0.894960
## HeatingGasA
                             4908.42
                                                    0.157 0.875174
                                        31241.48
## HeatingGasW
                                                    0.947 0.343890
                            30402.98
                                        32112.62
                             8378.25
## HeatingGrav
                                        35263.26
                                                    0.238 0.812225
## HeatingOthW
                            11152.35
                                        38330.80
                                                    0.291 0.771124
## HeatingWall
                                                    0.239 0.811251
                             8735.62
                                        36573.95
## Heating.QCFa
                                                   -2.167 0.030360 *
                           -10389.25
                                         4794.07
## Heating.QCGd
                            -4437.86
                                         2193.17
                                                   -2.023 0.043173 *
## Heating.QCPo
                           -33260.43
                                        32261.48
                                                   -1.031 0.302699
## Heating.QCTA
                                         2118.90
                                                  -2.511 0.012122
                            -5320.87
## Central.AirY
                             5992.27
                                         3857.07
                                                    1.554 0.120464
## ElectricalFuseF
                                                  -0.901 0.367870
                            -5531.13
                                         6140.91
## ElectricalFuseP
                            10225.67
                                        16374.92
                                                    0.624 0.532399
## ElectricalSBrkr
                             1278.93
                                         3082.43
                                                    0.415 0.678260
## Bsmt.Full.Bath1
                             5493.12
                                         1926.78
                                                    2.851 0.004410 **
## Bsmt.Full.Bath2
                            22576.13
                                         7913.88
                                                    2.853 0.004385 **
## Bsmt.Full.Bath3
                            17777.72
                                        30832.87
                                                    0.577 0.564294
## Bsmt.Half.Bath1
                              736.33
                                         3099.27
                                                    0.238 0.812233
                                                  -1.270 0.204135
## Bsmt.Half.Bath2
                           -22425.58
                                        17653.38
## Kitchen.QualFa
                           -53747.49
                                         6173.63
                                                  -8.706
                                                          < 2e-16 ***
## Kitchen.QualGd
                           -37760.70
                                         3752.71 -10.062 < 2e-16 ***
## Kitchen.QualTA
                           -47255.24
                                         4086.65 -11.563 < 2e-16 ***
```

```
## FunctionalMaj2
                           -28224.18
                                        16579.36
                                                   -1.702 0.088862 .
                                                   -0.769 0.441749
## FunctionalMin1
                            -7843.98
                                        10194.70
                                                   -0.257 0.797293
## FunctionalMin2
                            -2637.98
                                        10268.87
## FunctionalMod
                              301.42
                                        11431.09
                                                    0.026 0.978967
## FunctionalSev
                           -18326.27
                                        24471.73
                                                   -0.749 0.454032
## FunctionalTyp
                            -2727.07
                                         9135.36
                                                   -0.299 0.765343
## Fireplace.QuFa
                           -28035.62
                                         7726.83
                                                   -3.628 0.000293 ***
## Fireplace.QuGd
                           -15810.49
                                         6312.48
                                                   -2.505 0.012347 *
  Fireplace.QuNone
                           -30216.46
                                         6452.70
                                                   -4.683 3.05e-06 ***
## Fireplace.QuPo
                           -26809.06
                                         8303.08
                                                   -3.229 0.001266 **
## Fireplace.QuTA
                           -13804.89
                                         6445.39
                                                   -2.142 0.032344 *
## Garage.TypeAttchd
                            23008.59
                                         8472.20
                                                    2.716 0.006677
  Garage.TypeBasment
                            16944.07
                                                    1.617 0.106160
                                        10481.80
   Garage.TypeBuiltIn
                            30115.79
                                         8968.24
                                                    3.358 0.000802 ***
## Garage.TypeCarPort
                            -1321.76
                                        12190.44
                                                   -0.108 0.913670
## Garage.TypeDetchd
                             12280.31
                                         8488.10
                                                    1.447 0.148139
  Garage.TypeNone
                                                    0.304 0.761089
                             9824.28
                                        32306.31
## Garage.FinishNone
                                        42481.12
                                                    0.499 0.617945
                            21191.83
## Garage.FinishRFn
                            -2201.73
                                         2074.14
                                                   -1.062 0.288600
## Garage.FinishUnf
                            -2339.46
                                         2501.70
                                                   -0.935 0.349840
## Garage.Cars1
                            27389.57
                                        44198.94
                                                    0.620 0.535543
  Garage.Cars2
                                                    0.898 0.369431
                            39732.53
                                        44256.96
## Garage.Cars3
                            69102.26
                                        44350.79
                                                    1.558 0.119392
  Garage.Cars4
                            62022.63
                                        45428.57
                                                    1.365 0.172339
   Garage.Cars5
                            45451.15
                                        53755.20
                                                    0.846 0.397934
   Garage.QualFa
                           -92662.47
                                        42663.76
                                                   -2.172 0.029994
                           -65367.92
                                        41670.26
                                                   -1.569 0.116898
   Garage.QualGd
   Garage.QualNone
                                   NA
                                              NA
                                                       NA
                                                                 NA
                          -139571.20
                                        49501.87
                                                   -2.820 0.004863 **
   Garage.QualPo
  Garage.QualTA
                           -89749.50
                                        42488.10
                                                   -2.112 0.034797 *
   Garage.CondFa
                            75179.53
                                        31123.19
                                                    2.416 0.015812 *
   Garage.CondGd
                            66318.36
                                        31852.17
                                                    2.082 0.037480 *
   Garage.CondNone
                                                                 NA
                                   NA
                                              NA
   Garage.CondPo
                            89491.77
                                        33343.91
                                                    2.684 0.007345 **
  Garage.CondTA
                            83576.90
                                        30709.42
                                                    2.722 0.006562
## Paved.DriveP
                             3243.95
                                         5547.38
                                                    0.585 0.558776
## Paved.DriveY
                             6509.84
                                         3364.37
                                                    1.935 0.053158
## Pool.QCFa
                                                   -4.700 2.80e-06 ***
                          -165945.95
                                        35308.16
                                                   -4.261 2.14e-05 ***
## Pool.QCGd
                          -111285.06
                                        26114.70
## Pool.QCNone
                          -177794.63
                                        18563.66
                                                   -9.578
                                                          < 2e-16 ***
## Pool.QCTA
                          -122124.69
                                        28331.05
                                                   -4.311 1.72e-05
                                         5062.48
                                                    0.131 0.895437
## FenceGdWo
                              665.44
## FenceMnPrv
                             2111.26
                                         4168.61
                                                    0.506 0.612592
## FenceMnWw
                             2566.99
                                        12100.27
                                                    0.212 0.832020
## FenceNone
                               94.93
                                         3798.33
                                                    0.025 0.980064
## Misc.FeatureNone
                             -7091.01
                                        20770.55
                                                   -0.341 0.732845
## Misc.FeatureOthr
                             26954.62
                                        30428.45
                                                    0.886 0.375826
## Misc.FeatureShed
                            -5100.57
                                        21098.60
                                                   -0.242 0.809003
## Misc.FeatureTenC
                            30924.24
                                        47106.90
                                                    0.656 0.511608
## Sale.TypeCon
                            40974.32
                                        21980.29
                                                    1.864 0.062468
                                         9340.65
  Sale.TypeConLD
                             9530.50
                                                    1.020 0.307714
## Sale.TypeConLI
                            -4847.61
                                        10918.71
                                                   -0.444 0.657117
## Sale.TypeConLw
                            -2557.13
                                        15947.47
                                                   -0.160 0.872626
## Sale.TypeCWD
                            12531.18
                                        11343.76
                                                    1.105 0.269450
```

```
## Sale.TypeNew
                           52337.82
                                      18855.41
                                                 2.776 0.005566 **
## Sale.TypeOth
                           30715.80
                                      17521.08
                                                 1.753 0.079762 .
                                      30083.03
## Sale.TypeVWD
                            4124.24
                                                 0.137 0.890971
                                       4198.03
## Sale.TypeWD
                                                -0.209 0.834666
                            -876.34
## Sale.ConditionAdjLand
                           26481.01
                                      10896.05
                                                 2.430 0.015184
## Sale.ConditionAlloca
                                       8646.77
                                                 1.994 0.046339 *
                           17239.00
## Sale.ConditionFamily
                                                -0.242 0.808878
                           -1464.56
                                       6054.18
## Sale.ConditionNormal
                            9944.26
                                       3054.32
                                                 3.256 0.001152 **
## Sale.ConditionPartial
                          -30822.10
                                      18425.70
                                                -1.673 0.094548 .
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 28760 on 1767 degrees of freedom
## Multiple R-squared: 0.8812, Adjusted R-squared: 0.8657
## F-statistic: 56.52 on 232 and 1767 DF, p-value: < 2.2e-16
```

Results

- What is the final regression model for the data?
- Using the standard diagnostic tests, does the model appear to fit the data well?
- What are the final confidence intervals for the effects of interest mentioned in the study section?

Use your validation data to construct these intervals. Do these intervals seem very sensitive to the choice of model (i.e. do they vary widely for different choices of variables in the model)? • What is your estimated prediction accuracy for your model? (Evaluated on the validation set). • Compare the intervals constructed using your final selected model fit to the validation set to the same intervals constructed on the training set. Are they very different? Which do you believe more?

Appendix

Ideally, there will be comments in the file, i.e. lines beginning with "#" to clarify what each part of the code is doing.

Acknowledgements: If you consult outside sources that refer to this data set, you should cite these

as references, and describe what you used from each source. Sources include material found on the internet, journal articles and books.