

ANNEX Part I

Equation 1

Dependent Variable: PLOAN

Method: Least Squares

Sample: 1 722

Included observations: 722

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	39.56812	11.43158	3.461300	0.0006
AGE	0.231982	0.128576	1.804245	0.0716
AVGRADE	0.797391	0.324068	2.460565	0.0141
AVGRADE^2	0.016050	0.004648	3.452890	0.0006
LOG(HOURS)	6.219297	2.307618	2.695115	0.0072
MEDUC	0.322876	0.155980	2.069989	0.0388
FEDUC	0.436283	0.131803	3.310120	0.0010
SIBS	-0.093774	0.165838	-0.565453	0.5719
R-squared	0.161886	Mean dependent var		24.42746
Adjusted R-squared	0.153670	S.D. dependent var		10.20230
S.E. of regression	9.385734	Akaike info criterion		7.327277
Sum squared resid	62897.70	Schwarz criterion		7.378048
Log likelihood	-2637.147	Hannan-Quinn criter.		7.346875
F-statistic	19.70189	Durbin-Watson stat		1.741724
Prob(F-statistic)	0.000000			

Equation 2

Dependent Variable: PLOAN

Method: Least Squares

Sample: 1 722

Included observations: 722

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	38.80379	12.25592	3.166127	0.0016
FEMALE	13.44773	38.68284	0.347641	0.7282
AGE	0.271190	0.135924	1.995155	0.0464
AGE*FEMALE	-0.329347	0.428668	-0.768303	0.4426
AVGRADE	0.865343	0.355213	2.436123	0.0151
AVGRADE*FEMALE	-1.189830	1.149923	-1.034705	0.3012
AVGRADE^2	0.016937	0.005013	3.378340	0.0008
(AVGRADE^2)*FEMALE	-0.021677	0.018526	-1.170092	0.2424
LOG(HOURS)	6.069754	2.446882	2.480608	0.0133
LOG(HOURS)*FEMALE	3.727271	7.647535	0.487382	0.6261
MEDUC	0.314217	0.166237	1.890178	0.0591
MEDUC*FEMALE	-0.031675	0.491833	-0.064401	0.9487
FEDUC	0.470874	0.138988	3.387877	0.0007
FEDUC*FEMALE	-0.625932	0.463036	-1.351800	0.1769
SIBS	-0.049316	0.184509	-0.267280	0.7893
SIBS*FEMALE	-0.207641	0.504597	-0.411499	0.6808
R-squared	0.176795	Mean dependent var		24.42746
Adjusted R-squared	0.159304	S.D. dependent var		10.20230
S.E. of regression	9.354437	Akaike info criterion		7.331490
Sum squared resid	61778.88	Schwarz criterion		7.433031
Log likelihood	-2630.668	Hannan-Quinn criter.		7.370685
F-statistic	10.10821	Durbin-Watson stat		1.733479
Prob(F-statistic)	0.000000			

Equation 3

Dependent Variable: PLOAN
 Method: Least Squares
 Sample: 1 722
 Included observations: 722

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	39.56812	11.43158	3.461300	0.0006
AGE	0.231982	0.128576	1.804245	0.0716
AVGRADE	0.797391	0.324068	2.460565	0.0141
AVGRADE^2	0.016050	0.004648	3.452890	0.0006
LOG(HOURS)	6.219297	2.307618	2.695115	0.0072
MEDUC	0.759160	0.142478	5.328243	0.0000
FEDUC-MEDUC	0.436283	0.131803	3.310120	0.0010
SIBS	-0.093774	0.165838	-0.565453	0.5719
R-squared	0.161886	Mean dependent var		24.42746
Adjusted R-squared	0.153670	S.D. dependent var		10.20230
S.E. of regression	9.385734	Akaike info criterion		7.327277
Sum squared resid	62897.70	Schwarz criterion		7.378048
Log likelihood	-2637.147	Hannan-Quinn criter.		7.346875
F-statistic	19.70189	Durbin-Watson stat		1.741724
Prob(F-statistic)	0.000000			

Equation 4

Dependent Variable: PLOAN
 Method: Least Squares
 Sample: 1 722
 Included observations: 722

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-4.235465	29.52428	-0.143457	0.8860
AGE	-0.086526	0.235983	-0.366660	0.7140
AVGRADE	-0.685410	0.976849	-0.701654	0.4831
AVGRADE^2	-0.012011	0.018049	-0.665456	0.5060
LOG(HOURS)	-2.332946	5.794011	-0.402648	0.6873
MEDUC	-0.122284	0.317547	-0.385090	0.7003
FEDUC	-0.173442	0.401200	-0.432307	0.6656
SIBS	-0.008662	0.173896	-0.049811	0.9603
PLOAN_HAT^2	0.028376	0.017637	1.608847	0.1081
R-squared	0.164918	Mean dependent var		24.42746
Adjusted R-squared	0.155548	S.D. dependent var		10.20230
S.E. of regression	9.375312	Akaike info criterion		7.326424
Sum squared resid	62670.18	Schwarz criterion		7.383540
Log likelihood	-2635.839	Hannan-Quinn criter.		7.348471
F-statistic	17.60105	Durbin-Watson stat		1.733282
Prob(F-statistic)	0.000000			

where **PLOAN_HAT^2** is the squared predicted values of **PLOAN** obtained from the estimation of Equation 1.