ANNEX

Equation 1

Dependent Variable: GRADE
Method: Least Squares

Sample: 1 554
Included observations: 554

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	19.63659	2.646685	7.419317	0.0000
DIST	0.822638	0.270135	3.045279	0.0024
DIST^2	-0.047286	0.021634	-2.185719	0.0293
LOG(TUITION)	2.938697	1.062648	2.765447	0.0059
STUDY	2.219878	0.181258	12.24705	0.0000
WORK	-3.969623	1.089371	-3.643960	0.0003

R-squared	0.273535	Mean dependent var	49.92208
Adjusted R-squared	0.266907	S.D. dependent var	8.722370
S.E. of regression	7.468170	Akaike info criterion	6.869948
Sum squared resid	30563.91	Schwarz criterion	6.916704
Log likelihood	-1896.976	Hannan-Quinn criter.	6.888214
F-statistic	41.26754	Durbin-Watson stat	1.773440
Prob(F-statistic)	0.000000		

Equation 2

Dependent Variable: GRADE
Method: Least Squares

Sample: 1 554
Included observations: 554

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	21.51916	2.604661	8.261787	0.0000
LOG(TUITION)	3.320457	1.055818	3.144916	0.0018
STUDY	2.191213	0.182508	12.00615	0.0000
WORK	-4.794599	1.068854	-4.485738	0.0000

R-squared	0.259068	Mean dependent var	49.92208
Adjusted R-squared	0.255026	S.D. dependent var	8.722370
S.E. of regression	7.528439	Akaike info criterion	6.882447
Sum squared resid	31172.57	Schwarz criterion	6.913617
Log likelihood	-1902.438	Hannan-Quinn criter.	6.894624
F-statistic	64.10272	Durbin-Watson stat	1.741942
Prob(F-statistic)	0.000000		

Equation 3

Dependent Variable: GRADE
Method: Least Squares

Sample: 1 554
Included observations: 554

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	19.63659	2.646685	7.419317	0.0000
DIST	0.822638	0.270135	3.045279	0.0024
DIST^2	-0.047286	0.021634	-2.185719	0.0293
LOG(TUITION)	2.938697	1.062648	2.765447	0.0059
STUDY-2*WORK	2.219878	0.181258	12.24705	0.0000
WORK	0.470133	1.185234	0.396659	0.6918

R-squared	0.273535	Mean dependent var	49.92208
Adjusted R-squared	0.266907	S.D. dependent var	8.722370
S.E. of regression	7.468170	Akaike info criterion	6.869948
Sum squared resid	30563.91	Schwarz criterion	6.916704
Log likelihood	-1896.976	Hannan-Quinn criter.	6.888214
F-statistic	41.26754	Durbin-Watson stat	1.773440
Prob(F-statistic)	0.000000		

Equation 4

Dependent Variable: GRADE
Method: Least Squares

Sample: 1 554
Included observations: 554

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.217138	10.04695	0.419743	0.6748
DIST	3.038525	1.418846	2.141547	0.0327
DIST^2	-0.175834	0.083647	-2.102100	0.0360
LOG(TUITION)	10.53979	4.894669	2.153321	0.0317
STUDY	8.203638	3.765904	2.178398	0.0298
WORK	-13.79811	6.273490	-2.199432	0.0283
GRADE_HAT^2	-0.026424	0.016611	-1.590769	0.1122

R-squared	0.276880	Mean dependent var	49.92208
Adjusted R-squared	0.268948	S.D. dependent var	8.722370
S.E. of regression	7.457762	Akaike info criterion	6.868943
Sum squared resid	30423.16	Schwarz criterion	6.923492
Log likelihood	-1895.697	Hannan-Quinn criter.	6.890253
F-statistic	34.90742	Durbin-Watson stat	1.790756
Prob(F-statistic)	0.000000		

where **GRADE_HAT^2** is the squared predicted value of **GRADE** obtained from the estimation of Equation 1.