

Data Appendix

A. *Survey design*

In this paper we use 8 waves of the FTIS - the Chicago Booth Kellogg School Financial Trust Index survey (see <http://financialtrustindex.org>). The FTIS is 1,000 interviews, quarterly survey whose main purpose is to measure the amount of trust Americans have in various financial institutions and in financial markets in which they can invest their money and how it evolves over time. The first wave of the FTIS was fielded in December 2008; the last used in this paper in September 2010. Interviews are conducted in the third week of the last month of each quarter. One adult respondent in each household was randomly contacted and asked whether s/he was in charge of household financials, either alone or together with a spouse. Only individuals who claimed such responsibility are included in the survey. The survey is conducted by Social Science Research Solutions (SSRS) using ICR's weekly telephone omnibus service. In waves 1 to 4 it used a fully-replicated, stratified, single-stage random-digit-dialing sample of landline telephone households. In the last quarter of 2009 (survey 5), SSRS modified its survey sample, approaching respondents via landline and cell phone and adding some interviews in Spanish, versus only landline as had been done in the past. In the third quarter of 2010 (survey 8) SSRS modified the sampling methodology in order to account for the growing number of wireless-only households in the United States. When making comparisons over time we correct the series to assure comparability across surveys. Besides collecting the variables of interest, the FTIS includes an extensive demographic battery, weighted to reflect the adult U.S. population. In some of the waves, randomization of some questions was introduced in order to test the presence of order questions problems.

B. *Variables definition*

Walk away at 50K is an indicator variable equal to 1 for those people that answered yes to the question “If the value of your mortgage exceeded the value of your house by 50 thousand dollars would you walk away from your house (that is, default on your mortgage) even if you could afford to pay your monthly mortgage?”

Walk away at 100K is set to 1 if either the individual answered yes to the question about default at 50K either if he answers yes to the following question about defaulting at 100K: “If the value of your mortgage exceeded the value of your house by 100 thousand dollars would you walk away from your house (that is, default on your mortgage) even if you could afford to pay your monthly mortgage?”. In waves 4-6, we repeated the same question with a negative equity of 150 thousand dollars for those who answers negatively to both the question at 50K and 100K. We use this to define a third indicator variable for negative equity=150K accordingly.

Percentage of foreclosures in the area is the ratio between the monthly foreclosures and the number of outstanding home-related loans in the Zip code as of December 2008, multiplied by 12. The monthly foreclosures are the total number of properties that receive foreclosure notices (default notice, foreclosure auction notice, or bank repossession; source: RealtyTrac).

Morally wrong to walk away is an indicator variable equal to 1 for those responding positively to the following question: “Do you think that it is morally wrong to walk away from a house when one can afford to pay the monthly mortgage?”

Know someone who strategically defaulted is an indicator variable equal to 1 for people who reported to know somebody who has defaulted on their mortgage, even if s/he was able to pay the monthly mortgage (strategic default).

Angry about the economic situation is an indicator variable equal to 1 for people who reported to be angry because of the financial crisis.

Government should impose a cap on executive compensation and Government should regulate financial sector more are indicator variables equal to 1 if respondents agree with those policy proposals.

Trust banks is the average answer to a question on how much people trust various banking institutions (local banks, national banks, credit unions and banks in which the Government has a large stake) on a scale from 1(no trust) to 5 (full trust).

Perceived probability that lender would go after defaulters is the answer to the question “When people default on their mortgage, the lender repossesses the house. Sometimes the mortgage is more than the value of the house. On a scale from 0 to 100, where 0 equals ‘absolutely no chance’ and 100 equals ‘absolutely certain’ what do you expect are the chances that the lenders will go after people who default on their mortgage for the full amount of the mortgage?”

Probability of becoming unemployed is a self-reported measure of the chances to lose the job over the following 12 months.

Risk aversion is the average answer to the question “On a scale from 1 to 10, where 1 is unwilling and 10 fully willing, are you generally a person who is willing to take a risk?” To obtain a measure of risk aversion, we recode it so that 1 indicates a person fully willing to take risk and 10 a person totally unwilling to take risk.

Broker who sells is an indicator variable equal to 1 if the respondent would feel morally less obliged to repay her mortgage if s/he knew the broker sold the mortgage in the market.

Bank helped is an indicator variable equal to 1 if the respondent would feel morally less obliged to repay her mortgage if s/he knew that the mortgage is held by a bank that received help by the Government.

Predatory is an indicator variable equal to 1 if the respondent would feel morally less obliged to repay her mortgage if you s/he knew that the mortgage is held by a bank that has been accused of predatory lending.

Underwater-reported is an indicator variable equal to 1 if the respondent reports a market value for her house lower than the residual value of the mortgage.

Underwater-Zillow is an indicator variable equal to 1 if the respondent lives in a metropolitan area where the difference between the market value of her house and the level of her mortgage exceeds the median value of the same difference at U.S. level, according to Zillow.

Level of drop in price is a dummy variable equal to 1 if the respondent lives in a State where the change in house prices exceeds the median value per State of the same variable.

Table A.1. Descriptive statistics

Panel A shows summary statistics for the variables used in the paper. Detailed information about the definition of the variables is presented in section B of the data appendix. Panel B shows the intensity of strategic default by level of wealth and size of the shortfall of the house value. Panel C shows how many observations we have for each wave of the survey, using the demographic specification (Table 2.B) as benchmark. Panel D shows the correlation matrix.

A. Summary statistics

	Mean	Median	Std. Dev.	Min	Max	Obs
Walk away at -50K	0.089	0.000	0.284	0.000	1.000	6,079
Walk away at -100K	0.230	0.000	0.421	0.000	1.000	5,761
Morally wrong to walk away	0.823	1.000	0.382	0.000	1.000	6,190
Angry about the economic situation	3.534	4.000	1.333	1.000	5.000	6,420
Govt should impose cap on executive compensation	0.568	1.000	0.495	0.000	1.000	5,353
Govt should regulate financial sector more	0.524	1.000	0.499	0.000	1.000	4,630
Trust banks	3.097	3.000	1.197	1.000	5.000	6,414
Know someone who defaulted	0.326	0.000	0.469	0.000	1.000	6,251
Know someone who strategically defaulted	0.141	0.000	0.348	0.000	1.000	6,076
Percentage of foreclosures in the area	0.046	0.025	0.066	0.000	0.662	5,699
Perceived prob that lender would go after defaulters	0.534	0.500	0.345	0.000	1.000	2,724
Time spent reading/watching news during an average day (hours)	1.357	1.000	1.166	0.000	12.000	4,056
Female	0.513	1.000	0.500	0.000	1.000	6,493
Age <=35	0.092	0.000	0.290	0.000	1.000	6,275
Age >=65	0.319	0.000	0.466	0.000	1.000	6,275
Number of kids	0.507	0.000	0.977	0.000	6.000	6,402
Bought house >5 years	0.775	1.000	0.417	0.000	1.000	5,705
House price expectations (5 years)	3.551	4.000	0.883	1.000	5.000	6,290
Prob. become unemployed	0.123	0.000	0.247	0.000	1.000	6,003
50K shortfall as a fraction of the value of the house	0.366	0.286	0.288	0.006	2.000	5,995
100K shortfall as a fraction of the value of the house	0.732	0.571	0.577	0.011	4.000	5,995
Value of the house	241,631	175,000	355,852	25,000	8,900,000	5,995
Income (100K dollars)	0.687	0.563	0.542	0.050	2.500	5,739
Risk aversion	6.160	6.000	2.583	1.000	10.000	6,451
High School	0.937	1.000	0.243	0.000	1.000	6,320
College	0.659	1.000	0.474	0.000	1.000	6,320
Black	0.063	0.000	0.243	0.000	1.000	6,364
Hispanic	0.038	0.000	0.191	0.000	1.000	6,364
North-East	0.199	0.000	0.399	0.000	1.000	6,493
South	0.361	0.000	0.480	0.000	1.000	6,493
West	0.192	0.000	0.394	0.000	1.000	6,493
Non-recourse state	0.326	0.000	0.469	0.000	1.000	6,493
Level of equity (Value of the house-Mortgage)	188,743	110,000	377,444	-90,0000	8,050,000	4,068
Median level of equity in the area (Zillow)	-21,204	-2,736	46,379	-214,305	5,6139	2,805
Feel less morally obligated if:						
broker sold mortgage	0.386	0.000	0.488	0.000	1.000	202
bank helped by Government	0.279	0.000	0.449	0.000	1.000	219
bank involved in predatory lending	0.435	0.000	0.497	0.000	1.000	207

B. Fraction defaulting strategically by value of wealth and size of the shortfall

House value	Shortfall at			Change in default probability when shortfall increases:		
	50K	100K	150K	from 0 a 50	from 50 a 100	from 100 a 150
<100 K	0.144	0.359	0.528	0.144	0.215	0.169
100-200 K	0.113	0.278	0.444	0.113	0.165	0.166
200 -400 K	0.086	0.190	0.311	0.086	0.104	0.121
>400 K	0.067	0.168	0.308	0.067	0.101	0.140

C. Number of observations per wave

Wave	
1	434
2	575
3	534
4	533
5	619
6	542
7	494
8	428
Total	4159

D. Correlation table

	Walk away 50K	Walk away 100K	Morally wrong	Black	Hispanic	North-East	South	West	High school	College	Female	Shortfall %house	Age<=35	Age>=65	Kids	Bought>5yr	House price exp.	Prob. Unemp.	Income	Risk Avers.	Non-rec. State	
Walk away 50K	1.000																					
Walk away 100K	0.582	1.000																				
Morally wrong to walk away	-0.159	-0.195	1.000																			
Black	0.066	0.064	-0.066	1.000																		
Hispanic	0.046	0.050	-0.068	-0.052	1.000																	
North-East	-0.014	-0.010	-0.031	-0.050	-0.062	1.000																
South	0.026	0.033	0.014	0.150	0.015	-0.359	1.000															
West	-0.040	-0.052	-0.028	-0.074	0.126	-0.249	-0.383	1.000														
High school	-0.047	-0.035	0.037	-0.059	-0.052	0.017	-0.044	0.026	1.000													
College	-0.062	-0.085	-0.007	-0.038	-0.045	0.002	-0.014	0.079	0.344	1.000												
Female	-0.065	-0.064	0.011	0.004	0.036	-0.004	0.012	-0.001	0.024	-0.007	1.000											
Shortfall %house	0.155	0.182	-0.037	0.068	-0.003	-0.064	0.091	-0.153	-0.164	-0.240	0.034	1.000										
Age<=35	0.036	0.050	-0.039	0.052	0.071	0.012	-0.009	0.019	-0.002	0.048	-0.035	0.024	1.000									
Age>=65	0.043	0.067	-0.039	-0.039	-0.055	-0.010	0.005	-0.023	-0.110	-0.148	-0.001	0.103	-0.215	1.000								
Kids	-0.012	-0.041	0.033	0.023	0.074	0.016	-0.009	0.035	0.000	0.089	-0.015	-0.072	0.274	-0.326	1.000							
Bought>5 years	-0.024	-0.023	-0.009	-0.008	-0.028	0.036	-0.015	-0.049	-0.029	-0.080	0.003	0.027	-0.312	0.203	-0.193	1.000						
House price expectation	-0.021	-0.036	0.014	0.026	0.005	0.011	-0.029	0.058	0.060	0.105	-0.080	-0.142	0.009	-0.012	-0.009	-0.030	1.000					
Prob. become unemployed	0.046	0.043	-0.005	0.018	0.041	-0.004	0.008	0.017	-0.022	-0.035	-0.006	0.037	0.086	-0.250	0.102	-0.055	-0.038	1.000				
Income (100K dollars)	-0.088	-0.146	0.056	-0.034	-0.035	0.058	-0.038	0.062	0.169	0.318	-0.099	-0.389	0.000	-0.265	0.131	-0.046	0.137	-0.022	1.000			
Risk Aversion	-0.016	0.014	-0.021	-0.001	0.006	-0.009	0.019	-0.002	-0.028	-0.157	0.178	0.106	-0.101	0.163	-0.096	0.070	-0.088	-0.024	-0.209	1.000		
Non-recourse State	-0.005	-0.011	-0.012	-0.033	0.159	-0.292	0.118	0.419	0.008	0.057	0.003	-0.063	0.009	-0.008	0.016	-0.029	0.055	0.032	0.053	-0.001	1.000	

Table A.2. Demographic determinants of the decision to default strategically

The dependent variable is a dummy equal to one if the homeowner says s/he is willing to default when the value of his home equity equal -50K (in Panel A) or -100K (in Panel B) even if s/he can afford to pay the monthly mortgage costs. All the other variables are defined in section B of the Appendix . The reported coefficients are marginal effects estimated with a probit model and computed at the mean of the independent variables. All the regressions contain a constant term (not reported) and dummies for waves. Robust standard errors are in brackets. */**/** indicates statistical significance at the 10%, 5%, and 1% level.

A. Walk away at -50k					
	(1)	(2)	(3)	(4)	(5)
Black	0.077*** (0.020)	0.064*** (0.019)	0.063*** (0.019)	0.063*** (0.022)	0.064*** (0.022)
Hispanic	0.073*** (0.025)	0.058** (0.025)	0.062** (0.025)	0.085*** (0.031)	0.083*** (0.031)
North-East	-0.024** (0.009)	-0.017* (0.010)	-0.018* (0.010)	-0.011 (0.011)	-0.010 (0.012)
South	-0.022** (0.009)	-0.018** (0.009)	-0.014 (0.009)	-0.008 (0.010)	-0.009 (0.011)
West	-0.028*** (0.009)	-0.018* (0.010)	-0.017 (0.010)	-0.024** (0.011)	-0.025** (0.012)
Female	-0.037*** (0.007)	-0.037*** (0.008)	-0.038*** (0.008)	-0.041*** (0.008)	-0.038*** (0.008)
High school		-0.006 (0.016)	-0.003 (0.016)	-0.005 (0.018)	-0.003 (0.018)
College		-0.009 (0.009)	-0.010 (0.009)	-0.003 (0.010)	-0.004 (0.010)
Shortfall % house		0.095*** (0.011)	0.095*** (0.011)	0.079*** (0.013)	0.080*** (0.013)
Age<=35			0.021 (0.015)	0.022 (0.016)	0.021 (0.016)
Age>=65			0.017* (0.009)	0.026** (0.011)	0.028** (0.011)
Kids			-0.001 (0.004)	-0.003 (0.004)	-0.003 (0.004)
Bought>5 years				-0.016 (0.011)	-0.015 (0.011)
House price expectation				-0.002 (0.005)	-0.003 (0.005)
Prob. become unemployed				0.048*** (0.015)	0.047*** (0.015)
Income (100K dollars)				-0.019* (0.010)	-0.019* (0.010)
Risk Aversion					-0.002 (0.002)
Non-recourse State					0.005 (0.010)
Observations	5,973	5,460	5,280	4,171	4,159

B. Walk away at -100k

	(1)	(2)	(3)	(4)	(5)
Black	0.105*** (0.026)	0.091*** (0.027)	0.095*** (0.027)	0.103*** (0.031)	0.106*** (0.032)
Hispanic	0.094*** (0.033)	0.096*** (0.034)	0.110*** (0.035)	0.141*** (0.041)	0.138*** (0.041)
North-East	-0.037** (0.016)	-0.025 (0.017)	-0.026 (0.017)	0.000 (0.020)	0.001 (0.020)
South	-0.021 (0.014)	-0.017 (0.015)	-0.015 (0.015)	-0.002 (0.017)	-0.003 (0.018)
West	-0.062*** (0.016)	-0.050*** (0.017)	-0.050*** (0.017)	-0.038** (0.019)	-0.040* (0.021)
Female	-0.019 (0.025)	0.004 (0.025)	0.012 (0.025)	0.038 (0.027)	0.038 (0.028)
High school	-0.065*** (0.013)	-0.038*** (0.014)	-0.034** (0.014)	-0.016 (0.016)	-0.016 (0.016)
College	-0.047*** (0.011)	-0.056*** (0.012)	-0.057*** (0.012)	-0.067*** (0.013)	-0.066*** (0.013)
Shortfall % house		0.199*** (0.020)	0.195*** (0.021)	0.157*** (0.024)	0.161*** (0.024)
Age<=35			0.071*** (0.023)	0.068*** (0.026)	0.067** (0.026)
Age>=65			0.051*** (0.015)	0.052*** (0.017)	0.055*** (0.018)
Kids			-0.016** (0.007)	-0.016** (0.007)	-0.016** (0.007)
Bought>5 years				-0.026 (0.017)	-0.025 (0.017)
House price expectation				-0.007 (0.008)	-0.006 (0.008)
Prob. become unemployed				0.080*** (0.026)	0.080*** (0.026)
Income (100K dollars)				-0.073*** (0.015)	-0.073*** (0.015)
Risk Aversion					-0.002 (0.003)
Non-recourse State					0.008 (0.017)
Observations	5,527	5,189	5,023	3,981	3,969

Table A.3. The effect of morality on strategic default

The dependent variable is a dummy equal to one if the homeowner says s/he is willing to default when the value of his home equity equal -50K (in Panel A) or -100K (in Panel B) even if s/he can afford to pay the monthly mortgage costs. All the other variables are defined in section B of the Appendix. In Panel A, Columns (1), (2), (5) the reported coefficients are marginal effects estimated with a probit model (IV-probit in column (5)) and computed at the mean of the independent variables. In column (3), (4), and (7) and marginal effects from estimates of a linear probability model (LPM). In the IV estimates “default is morally wrong” is instrumented with an indicator variable on whether the respondent is a Republican. For Columns (6) and (7), we use only the observations where the morality question is asked at the beginning. In Panel C, column 1 and 2, we split the sample between people declaring positive and negative equity according to the survey. In Columns 3 and 4 we have split the sample between people with positive and negative equity, using data on median negative equity in the metropolitan area (Zillow). Not all the people live in a metropolitan area, and Zillow does not provide data for every metropolitan area. In Columns 5 and 6 we have split the sample according to the size of the drop in house price at State level distinguishing between below and above median (data from FHFA). All the regressions contain a constant term (reported only for linear specification) and dummies for waves. Robust standard errors are in brackets. */**/** indicates statistical significance at the 10%, 5%, and 1% level.

A. Walk away at -50k

	Probit		IV: First and Second Stage		LPM		LPM BOOTSTRAP
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Morally wrong to walk away		-0.099*** (0.015)	-2.475*** (0.226)		-0.105*** (0.015)	-0.080*** (0.025)	-0.067** (0.028)
Shortfall % house	0.080*** (0.013)	0.079*** (0.013)	0.316** (0.126)	-0.020 (0.025)	0.123*** (0.022)	0.079*** (0.029)	
Highschool	-0.003 (0.018)	0.005 (0.016)	0.123 (0.099)	0.045 (0.031)	-0.001 (0.025)	0.012 (0.033)	
College	-0.004 (0.010)	-0.009 (0.010)	-0.123** (0.053)	-0.039*** (0.014)	-0.011 (0.011)	-0.007 (0.016)	
Female	-0.038*** (0.008)	-0.035*** (0.008)	-0.117* (0.063)	0.019 (0.012)	-0.038*** (0.009)	-0.039*** (0.013)	
Age<=35	0.021 (0.016)	0.012 (0.015)	-0.097 (0.085)	-0.072*** (0.023)	0.013 (0.017)	0.024 (0.029)	
Age>=65	0.028** (0.011)	0.024** (0.011)	0.058 (0.068)	-0.030* (0.016)	0.025** (0.011)	-0.000 (0.017)	
Kids	-0.003 (0.004)	0.000 (0.004)	0.038 (0.023)	0.015** (0.006)	0.000 (0.004)	-0.008 (0.006)	
House price expectation	-0.003 (0.005)	-0.002 (0.005)	-0.003 (0.026)	0.005 (0.007)	-0.001 (0.006)	0.006 (0.008)	
Prob. become unemployed	0.047*** (0.015)	0.042*** (0.015)	0.173* (0.097)	-0.010 (0.025)	0.048** (0.019)	-0.021 (0.021)	
Income (100K dollars)	-0.019* (0.010)	-0.018* (0.010)	-0.010 (0.054)	0.029** (0.012)	-0.009 (0.009)	-0.008 (0.013)	
Black	0.064*** (0.022)	0.046** (0.021)	-0.048 (0.125)	-0.092*** (0.030)	0.051** (0.023)	0.087** (0.044)	
Hispanic	0.083*** (0.031)	0.054** (0.027)	-0.101 (0.148)	-0.132*** (0.038)	0.060** (0.028)	0.043 (0.036)	
North-East	-0.010 (0.012)	-0.013 (0.011)	-0.199*** (0.069)	-0.058*** (0.018)	-0.013 (0.013)	-0.002 (0.020)	
South	-0.009 (0.011)	-0.007 (0.010)	-0.065 (0.058)	-0.018 (0.016)	-0.008 (0.012)	-0.013 (0.017)	
West	-0.025** (0.012)	-0.026** (0.011)	-0.218*** (0.078)	-0.045** (0.020)	-0.025* (0.014)	-0.020 (0.020)	
Bought>5 years	-0.015 (0.011)	-0.017 (0.011)	-0.108* (0.056)	-0.014 (0.014)	-0.019* (0.011)	-0.015 (0.018)	
Risk Aversion	-0.002 (0.002)	-0.003 (0.002)	-0.020** (0.009)	-0.003 (0.003)	-0.003* (0.002)	-0.004 (0.003)	
Non-recourse State	0.005 (0.010)	0.006 (0.010)	0.023 (0.057)	-0.001 (0.015)	0.007 (0.011)	-0.001 (0.015)	
Republican				0.059*** (0.012)			
Constant			1.324*** (0.432)	0.842*** (0.051)	0.187*** (0.043)	0.146** (0.064)	
Observations	4,159	4,059	3,969	3,969	4,059	1,357	

B. Walk away at -100k

	Probit		IV: First and Second Stage		LPM		LPM BOOTSTRAP
	(1)	(2)	(3)	(4)	(7)	(8)	(7)
Morally wrong to walk away		-0.201*** (0.021)	-2.232*** (0.361)		-0.198*** (0.020)	-0.169*** (0.035)	-0.110*** (0.037)
Shortfall % house	0.161*** (0.024)	0.164*** (0.024)	0.376*** (0.126)	-0.027 (0.026)	0.194*** (0.028)	0.143*** (0.043)	
High school	0.038 (0.028)	0.049* (0.026)	0.224** (0.099)	0.053 (0.032)	0.051 (0.033)	0.035 (0.055)	
College	-0.016 (0.016)	-0.024 (0.016)	-0.135*** (0.049)	-0.041*** (0.014)	-0.027* (0.016)	-0.041 (0.025)	
Female	-0.066*** (0.013)	-0.064*** (0.014)	-0.140** (0.059)	0.019 (0.012)	-0.061*** (0.013)	-0.037* (0.021)	
Age<=35	0.067** (0.026)	0.056** (0.026)	0.044 (0.091)	-0.060*** (0.023)	0.052** (0.024)	0.051 (0.040)	
Age>=65	0.055*** (0.018)	0.043** (0.018)	0.076 (0.065)	-0.030* (0.016)	0.046*** (0.017)	0.004 (0.027)	
Kids	-0.016** (0.007)	-0.012* (0.007)	-0.006 (0.026)	0.013** (0.006)	-0.010 (0.006)	-0.019* (0.010)	
House price expectation	-0.006 (0.008)	-0.005 (0.008)	-0.004 (0.025)	0.006 (0.008)	-0.005 (0.008)	0.010 (0.013)	
Prob. become unemployed	0.080*** (0.026)	0.072*** (0.026)	0.180** (0.088)	-0.004 (0.025)	0.069** (0.027)	-0.024 (0.038)	
Income (100K dollars)	-0.073*** (0.015)	-0.073*** (0.015)	-0.139** (0.066)	0.027** (0.013)	-0.051*** (0.012)	-0.049*** (0.017)	
Black	0.106*** (0.032)	0.073** (0.031)	-0.002 (0.130)	-0.094*** (0.031)	0.072** (0.031)	0.122** (0.059)	
Hispanic	0.138*** (0.041)	0.096** (0.039)	0.014 (0.148)	-0.120*** (0.038)	0.094*** (0.036)	0.045 (0.052)	
North-East	0.001 (0.020)	-0.011 (0.020)	-0.139** (0.064)	-0.051*** (0.019)	-0.007 (0.020)	-0.021 (0.030)	
South	-0.003 (0.018)	-0.003 (0.018)	-0.024 (0.055)	-0.012 (0.016)	-0.003 (0.018)	-0.004 (0.028)	
West	-0.040* (0.021)	-0.044** (0.021)	-0.191*** (0.072)	-0.044** (0.020)	-0.041* (0.022)	-0.011 (0.035)	
Bought>5 years	-0.025 (0.017)	-0.026 (0.017)	-0.092* (0.051)	-0.015 (0.015)	-0.027* (0.016)	-0.007 (0.026)	
Risk Aversion	-0.002 (0.003)	-0.002 (0.003)	-0.011 (0.008)	-0.003 (0.003)	-0.002 (0.003)	-0.006 (0.004)	
Non-recourse State	0.008 (0.017)	0.008 (0.017)	0.014 (0.053)	-0.003 (0.015)	0.010 (0.016)	0.007 (0.025)	
Republican				0.056*** (0.012)			
Constant			1.310*** (0.455)	0.830*** (0.052)	0.379*** (0.059)	0.308*** (0.097)	
Observations	3,969	3,889	3,804	3,804	3,889	1,308	

C. Robustness

	Underwater-reported		Underwater-Zillow		Level of drop in price	
	Positive equity (1)	Negative equity (2)	Positive equity (3)	Negative equity (4)	Low drop in price (5)	High drop in price (6)
Morally wrong to walk away	-0.089*** (0.015)	-0.292*** (0.085)	-0.060** (0.026)	-0.134*** (0.031)	-0.065*** (0.021)	-0.121*** (0.020)
Shortfall % house	0.070*** (0.013)	0.122*** (0.042)	0.066** (0.027)	0.098*** (0.025)	0.066*** (0.019)	0.086*** (0.016)
High school	-0.001 (0.017)	0.064* (0.036)	0.005 (0.041)	0.057*** (0.010)	-0.028 (0.029)	0.030** (0.015)
College	-0.012 (0.010)	0.039 (0.038)	-0.022 (0.020)	-0.045** (0.022)	0.004 (0.014)	-0.018 (0.013)
Female	-0.036*** (0.008)	-0.002 (0.034)	-0.053*** (0.016)	-0.026* (0.015)	-0.038*** (0.013)	-0.031*** (0.010)
Age<=35	0.010 (0.015)	0.008 (0.050)	0.001 (0.027)	-0.004 (0.023)	0.000 (0.023)	0.022 (0.019)
Age>=65	0.025** (0.011)	-0.016 (0.048)	0.025 (0.021)	0.020 (0.022)	0.026 (0.017)	0.024* (0.014)
Kids	-0.001 (0.004)	0.010 (0.019)	-0.007 (0.008)	0.014** (0.007)	-0.009 (0.007)	0.007 (0.005)
House price expectation	-0.000 (0.005)	-0.024 (0.018)	0.005 (0.010)	-0.011 (0.008)	-0.002 (0.007)	-0.001 (0.006)
Prob. become unemployed	0.045*** (0.015)	-0.043 (0.067)	0.004 (0.031)	0.041* (0.024)	0.047** (0.023)	0.035* (0.018)
Income (100K dollars)	-0.021** (0.010)	-0.012 (0.041)	-0.010 (0.015)	-0.009 (0.016)	-0.020 (0.016)	-0.017 (0.012)
Black	0.053** (0.022)	0.001 (0.058)	0.130** (0.055)	0.067* (0.038)	0.076** (0.036)	0.030 (0.025)
Hispanic	0.060** (0.029)	-0.058* (0.030)	0.119 (0.079)	0.003 (0.026)	0.077 (0.050)	0.037 (0.030)
North-East	-0.013 (0.011)	-0.034 (0.050)	-0.004 (0.025)	-0.042* (0.022)	-0.039** (0.017)	-0.001 (0.014)
South	-0.007 (0.010)	-0.031 (0.046)	-0.011 (0.025)	-0.021 (0.022)	-0.024 (0.020)	-0.012 (0.013)
West	-0.032*** (0.011)	0.022 (0.054)	-0.019 (0.027)	-0.011 (0.026)	-0.060*** (0.015)	-0.011 (0.015)
Bought>5 years	-0.018 (0.011)	-0.023 (0.042)	-0.007 (0.021)	0.007 (0.019)	-0.022 (0.016)	-0.008 (0.014)
Risk Aversion	-0.003* (0.002)	0.013* (0.007)	0.000 (0.003)	-0.003 (0.003)	-0.002 (0.003)	-0.003 (0.002)
Non-recourse State	0.007 (0.010)	0.035 (0.041)	-0.009 (0.020)	-0.004 (0.020)	-0.002 (0.014)	0.007 (0.014)
Observations	3,851	197	886	936	1674	2385

Table A.4.: Change in morality

The dependent variable is a dummy equal to one if the homeowner says s/he would feel less morally obligated to repay the mortgage if one particular situation occurs (the broker has sold the mortgage, the bank has received money from the Government, the bank was accused of predatory lending). All the other variables are defined in section B of the Appendix. These data are collected starting only from 8th wave. One of the three situations is randomly assigned to the individual. The reported coefficients are marginal effects estimated with a probit model and computed at the mean of the independent variables. All the regressions contain a constant term (not reported) and dummies for waves. Robust standard errors are in brackets. */**/** indicates statistical significance at the 10%, 5%, and 1% level.

	Broker who sells (1)	Bank helped (2)	Predatory (3)
Morally wrong to walk away	-0.325** (0.131)	-0.326** (0.155)	-0.022 (0.118)
High school	-0.329 (0.205)	-0.200 (0.192)	0.077 (0.234)
College	-0.108 (0.119)	-0.130 (0.099)	0.046 (0.124)
Female	0.081 (0.091)	-0.064 (0.073)	0.083 (0.101)
Black	-0.051 (0.149)	-0.073 (0.104)	0.240 (0.297)
Hispanic	+	-0.151 (0.103)	0.066 (0.299)
Age<=35	0.215 (0.166)	-0.104 (0.095)	-0.173 (0.139)
Age>=65	-0.033 (0.112)	0.021 (0.090)	-0.037 (0.127)
Shortfall % house	-0.303* (0.182)	-0.157 (0.129)	0.076 (0.192)
Kids	-0.006 (0.056)	0.006 (0.042)	0.015 (0.050)
House price expectation	0.046 (0.050)	0.108*** (0.040)	0.101* (0.059)
Prob. become unemployed	-0.257 (0.205)	0.198 (0.140)	0.037 (0.205)
Income (100K dollars)	-0.266 (0.184)	-0.684*** (0.216)	-0.145 (0.191)
North-East	-0.340*** (0.071)	0.032 (0.125)	-0.119 (0.142)
South	-0.081 (0.106)	-0.064 (0.093)	-0.194 (0.139)
West	-0.180 (0.120)	-0.039 (0.128)	-0.070 (0.165)
Bought>5 years	0.228*** (0.085)	-0.078 (0.125)	-0.239* (0.133)
Risk Aversion	0.032* (0.018)	0.021 (0.016)	0.005 (0.022)
Non-recourse State	-0.175* (0.100)	0.132 (0.100)	0.166 (0.127)
Observations	136	147	127

Note: + variable dropped in this subsample, because it perfectly predicts success

Table A.5. Anger, trust, and strategy defaults

The dependent variable is a dummy equal to one if the homeowner says s/he is willing to default when the value of his home equity equals -50K (in Panel A) or -100K (in Panel B) even if s/he can afford to pay the monthly mortgage costs. All the other variables are defined in section B of the Appendix. The reported coefficients are marginal effects estimated with a probit model and computed at the mean of the independent variables. All the regressions contain a constant term (not reported) and dummies for waves. Robust standard errors are in brackets. */**/** indicates statistical significance at the 10%, 5%, and 1% level.

A. Walk away at -50k

	(1)	(2)	(3)	(4)
Angry about the economic situation	0.012*** (0.003)			
Trust banks		-0.013*** (0.003)		
Govt should impose cap on executive compensation			0.028*** (0.009)	
Govt should regulate financial sector more				0.025*** (0.009)
Morally wrong to walk away	-0.099*** (0.015)	-0.095*** (0.014)	-0.097*** (0.016)	-0.093*** (0.017)
Shortfall % house	0.081*** (0.012)	0.079*** (0.012)	0.078*** (0.013)	0.072*** (0.014)
High school	0.002 (0.016)	0.003 (0.016)	0.002 (0.018)	-0.003 (0.020)
College	-0.009 (0.010)	-0.011 (0.010)	-0.005 (0.010)	-0.004 (0.011)
Female	-0.035*** (0.008)	-0.032*** (0.008)	-0.037*** (0.009)	-0.030*** (0.009)
Age<=35	0.012 (0.015)	0.013 (0.015)	0.017 (0.016)	0.028 (0.018)
Age>=65	0.026** (0.011)	0.029** (0.011)	0.019* (0.012)	0.015 (0.013)
Kids	0.000 (0.004)	0.000 (0.004)	0.002 (0.005)	-0.001 (0.005)
House price expectation	0.000 (0.005)	0.001 (0.005)	-0.001 (0.005)	-0.002 (0.005)
Prob. become unemployed	0.038** (0.015)	0.039*** (0.015)	0.032** (0.016)	0.025 (0.017)
Income (100K dollars)	-0.016* (0.010)	-0.019** (0.010)	-0.019* (0.010)	-0.021* (0.011)
Black	0.047** (0.021)	0.045** (0.020)	0.040* (0.022)	0.037* (0.023)
Hispanic	0.050* (0.026)	0.053** (0.027)	0.048* (0.028)	0.039 (0.028)
North-East	-0.013 (0.011)	-0.011 (0.011)	-0.010 (0.012)	-0.013 (0.013)
South	-0.007 (0.010)	-0.006 (0.010)	-0.010 (0.011)	-0.012 (0.011)
West	-0.026** (0.011)	-0.027** (0.011)	-0.025** (0.012)	-0.030** (0.013)
Bought>5 years	-0.017 (0.010)	-0.016 (0.010)	-0.015 (0.011)	-0.024* (0.013)
Risk Aversion	-0.003* (0.002)	-0.003** (0.002)	-0.002 (0.002)	-0.003 (0.002)
Non-recourse State	0.007 (0.010)	0.005 (0.010)	0.005 (0.011)	0.008 (0.012)
Observations	4,039	4,034	3,375	2,958

B. Walk away at -100k

	(1)	(2)	(3)	(4)
Angry about the economic situation	0.019*** (0.005)			
Trust banks		-0.016*** (0.006)		
Govt should impose cap on executive compensation			0.073*** (0.015)	
Govt should regulate financial sector more				0.066*** (0.016)
Morally wrong to walk away	-0.200*** (0.021)	-0.199*** (0.021)	-0.201*** (0.022)	-0.190*** (0.024)
Shortfall % house	0.169*** (0.024)	0.166*** (0.024)	0.153*** (0.025)	0.149*** (0.027)
High school	0.044 (0.027)	0.045* (0.027)	0.040 (0.030)	0.032 (0.032)
College	-0.023 (0.016)	-0.025 (0.016)	-0.006 (0.017)	-0.008 (0.018)
Female	-0.065*** (0.014)	-0.060*** (0.014)	-0.074*** (0.015)	-0.058*** (0.016)
Age<=35	0.058** (0.026)	0.060** (0.026)	0.053* (0.027)	0.064** (0.029)
Age>=65	0.045** (0.018)	0.048*** (0.018)	0.043** (0.019)	0.033 (0.020)
Kids	-0.012 (0.007)	-0.011 (0.007)	-0.010 (0.008)	-0.014 (0.009)
House price expectation	-0.003 (0.008)	-0.001 (0.008)	-0.009 (0.008)	-0.009 (0.009)
Prob. become unemployed	0.066** (0.026)	0.065** (0.026)	0.051* (0.028)	0.050* (0.029)
Income (100K dollars)	-0.070*** (0.015)	-0.075*** (0.015)	-0.081*** (0.016)	-0.087*** (0.017)
Black	0.077** (0.032)	0.073** (0.031)	0.057* (0.034)	0.054 (0.035)
Hispanic	0.091** (0.039)	0.086** (0.038)	0.086** (0.041)	0.083** (0.042)
North-East	-0.012 (0.020)	-0.010 (0.020)	-0.014 (0.021)	-0.018 (0.022)
South	-0.003 (0.018)	-0.002 (0.018)	-0.023 (0.019)	-0.027 (0.020)
West	-0.043** (0.021)	-0.044** (0.021)	-0.048** (0.022)	-0.060** (0.023)
Bought>5 years	-0.026 (0.017)	-0.023 (0.017)	-0.023 (0.019)	-0.020 (0.020)
Risk Aversion	-0.002 (0.003)	-0.003 (0.003)	-0.001 (0.003)	-0.002 (0.003)
Non-recourse State	0.008 (0.017)	0.009 (0.017)	0.018 (0.018)	0.028 (0.020)
Observations	3,871	3,868	3,234	2,846

Table A.6. Defaults and information about other defaulters

The dependent variable is a dummy equal to one if the homeowner says s/he is willing to default when the value of his home equity equal -50K (in Panel A) or -100K (in Panel B) even if s/he can afford to pay the monthly mortgage costs. All the other variables are defined in section B of the Appendix. The reported coefficients are marginal effects estimated with a probit model and computed at the mean of the independent variables. All the regressions contain a constant term (not reported) and dummies for waves. Robust standard errors are in brackets. */**/** indicates statistical significance at the 10%, 5%, and 1% level.

A. Walk away at -50k

	(1)	(2)	(3)	(4)	(5)
Know someone who strategically defaulted	0.045*** (0.013)	0.043*** (0.013)	0.041** (0.017)		0.037** (0.017)
Percentage of foreclosures in the area		0.163*** (0.060)		0.158*** (0.060)	0.162*** (0.060)
Know someone who defaulted			0.004 (0.011)	0.021** (0.009)	0.006 (0.011)
Morally wrong to walk away	-0.099*** (0.015)	-0.086*** (0.015)	-0.100*** (0.015)	-0.090*** (0.015)	-0.086*** (0.015)
Angry about the economic situation	0.011*** (0.003)	0.013*** (0.003)	0.010*** (0.003)	0.014*** (0.003)	0.013*** (0.003)
Shortfall % house	0.082*** (0.013)	0.082*** (0.013)	0.082*** (0.013)	0.083*** (0.013)	0.082*** (0.013)
High school	0.003 (0.016)	0.006 (0.018)	0.003 (0.016)	0.005 (0.018)	0.006 (0.018)
College	-0.012 (0.010)	-0.007 (0.010)	-0.012 (0.010)	-0.006 (0.010)	-0.007 (0.010)
Female	-0.032*** (0.008)	-0.036*** (0.008)	-0.032*** (0.008)	-0.036*** (0.008)	-0.036*** (0.008)
Age<=35	0.009 (0.014)	0.004 (0.014)	0.009 (0.014)	0.004 (0.014)	0.004 (0.014)
Age>=65	0.029** (0.012)	0.024** (0.012)	0.030** (0.012)	0.024** (0.012)	0.025** (0.012)
Kids	-0.002 (0.004)	0.000 (0.004)	-0.002 (0.004)	0.002 (0.004)	0.000 (0.004)
House price expectation	0.002 (0.005)	0.003 (0.005)	0.002 (0.005)	0.003 (0.005)	0.003 (0.005)
Prob. become unemployed	0.040*** (0.015)	0.043*** (0.015)	0.039*** (0.015)	0.041*** (0.015)	0.042*** (0.015)
Income (100K dollars)	-0.018* (0.010)	-0.015 (0.010)	-0.018* (0.010)	-0.013 (0.010)	-0.015 (0.010)
Black	0.054** (0.022)	0.050** (0.023)	0.054** (0.022)	0.047** (0.022)	0.050** (0.023)
Hispanic	0.052* (0.028)	0.023 (0.024)	0.052* (0.027)	0.022 (0.023)	0.023 (0.024)
North-East	-0.012 (0.011)	-0.010 (0.012)	-0.012 (0.011)	-0.008 (0.012)	-0.010 (0.012)
South	-0.002 (0.010)	-0.007 (0.011)	-0.002 (0.010)	-0.007 (0.011)	-0.007 (0.011)
West	-0.027** (0.011)	-0.031*** (0.011)	-0.028** (0.011)	-0.031*** (0.011)	-0.031*** (0.011)
Bought>5 years	-0.019* (0.011)	-0.020* (0.011)	-0.019* (0.011)	-0.019* (0.011)	-0.020* (0.011)
Risk Aversion	-0.003 (0.002)	-0.001 (0.002)	-0.003 (0.002)	-0.001 (0.002)	-0.001 (0.002)
Non-recourse State	0.004 (0.010)	0.003 (0.011)	0.004 (0.010)	0.004 (0.011)	0.003 (0.011)
Observations	3,847	3,459	3,847	3,541	3,459

B. Walk away at -100k

	(1)	(2)	(3)	(4)	(5)
Know someone who strategically defaulted	0.035* (0.020)	0.032 (0.020)	0.033 (0.025)		0.027 (0.025)
Percentage of foreclosures in the area		0.195* (0.115)		0.187* (0.112)	0.194* (0.115)
Know someone who defaulted			0.002 (0.019)	0.018 (0.015)	0.007 (0.019)
Morally wrong to walk away	-0.199*** (0.021)	-0.193*** (0.022)	-0.199*** (0.021)	-0.199*** (0.022)	-0.193*** (0.022)
Angry about the economic situation	0.018*** (0.005)	0.018*** (0.006)	0.018*** (0.005)	0.019*** (0.006)	0.018*** (0.006)
Shortfall % house	0.170*** (0.025)	0.161*** (0.027)	0.170*** (0.025)	0.162*** (0.027)	0.161*** (0.027)
High school	0.037 (0.028)	0.047 (0.030)	0.037 (0.028)	0.047 (0.030)	0.047 (0.030)
College	-0.028* (0.017)	-0.028 (0.018)	-0.028* (0.017)	-0.024 (0.017)	-0.028 (0.018)
Female	-0.063*** (0.014)	-0.065*** (0.015)	-0.063*** (0.014)	-0.064*** (0.014)	-0.065*** (0.015)
Age<=35	0.058** (0.026)	0.059** (0.028)	0.058** (0.026)	0.056** (0.027)	0.059** (0.028)
Age>=65	0.051*** (0.018)	0.048** (0.019)	0.051*** (0.019)	0.043** (0.019)	0.049** (0.019)
Kids	-0.015** (0.007)	-0.014* (0.008)	-0.015** (0.007)	-0.011 (0.008)	-0.014* (0.008)
House price expectation	-0.000 (0.008)	0.002 (0.008)	-0.000 (0.008)	0.000 (0.008)	0.002 (0.008)
Prob. become unemployed	0.063** (0.027)	0.063** (0.028)	0.063** (0.027)	0.065** (0.028)	0.062** (0.028)
Income (100K dollars)	-0.069*** (0.016)	-0.063*** (0.016)	-0.069*** (0.016)	-0.065*** (0.016)	-0.063*** (0.016)
Black	0.084** (0.033)	0.085** (0.036)	0.084** (0.033)	0.086** (0.035)	0.085** (0.035)
Hispanic	0.105** (0.041)	0.084** (0.042)	0.105** (0.041)	0.076* (0.041)	0.083** (0.042)
North-East	-0.008 (0.021)	-0.003 (0.022)	-0.008 (0.021)	-0.003 (0.021)	-0.002 (0.022)
South	0.005 (0.018)	0.006 (0.020)	0.005 (0.018)	0.002 (0.019)	0.007 (0.020)
West	-0.042* (0.022)	-0.046** (0.023)	-0.042* (0.022)	-0.045** (0.023)	-0.046** (0.023)
Bought>5 years	-0.030* (0.018)	-0.039** (0.019)	-0.030* (0.018)	-0.035* (0.019)	-0.039** (0.019)
Risk Aversion	-0.002 (0.003)	-0.002 (0.003)	-0.002 (0.003)	-0.002 (0.003)	-0.002 (0.003)
Non-recourse State	0.009 (0.017)	0.001 (0.018)	0.009 (0.017)	-0.002 (0.018)	0.001 (0.018)
Observations	3,691	3,321	3,691	3,399	3,321

Table A.7. Determinants of the probability that lenders go after defaulters

The dependent variable is the perceived probability that the lender would go after defaulters dummy on a scale between 0 and 100. The table reports beta coefficients from OLS regressions. All the regressions contain dummies for waves. Robust standard errors are in brackets. */**/***/ indicates statistical significance at the 10%, 5%, and 1% level.

	Perceived probability that the lender would go after defaulters		
	(1)	(2)	(3)
Know someone who strategically defaulted	-0.088*** (0.021)		-0.060** (0.026)
Know someone who defaulted		-0.065*** (0.016)	-0.039* (0.021)
Shortfall % house	0.013 (0.029)	0.015 (0.029)	0.014 (0.029)
High school	0.039 (0.038)	0.037 (0.038)	0.040 (0.038)
College	-0.047** (0.019)	-0.052*** (0.019)	-0.047** (0.019)
Female	0.010 (0.016)	0.008 (0.016)	0.010 (0.016)
Age<=35	0.033 (0.026)	0.038 (0.026)	0.035 (0.026)
Age>=65	0.033 (0.021)	0.041** (0.020)	0.030 (0.021)
Kids	0.019** (0.008)	0.020** (0.008)	0.019** (0.008)
House price expectation	0.002 (0.010)	0.006 (0.010)	0.002 (0.010)
Prob. become unemployed	0.096*** (0.032)	0.093*** (0.032)	0.097*** (0.032)
Income (100K dollars)	-0.044** (0.018)	-0.037** (0.017)	-0.043** (0.018)
Black	0.072* (0.038)	0.080** (0.038)	0.074* (0.038)
Hispanic	-0.033 (0.043)	-0.030 (0.043)	-0.032 (0.043)
North-East	-0.013 (0.024)	-0.013 (0.024)	-0.014 (0.024)
South	0.040* (0.022)	0.038* (0.021)	0.039* (0.022)
West	-0.038 (0.027)	-0.037 (0.027)	-0.035 (0.027)
Bought>5 years	0.013 (0.020)	0.009 (0.020)	0.013 (0.020)
Risk Aversion	-0.004 (0.003)	-0.003 (0.003)	-0.004 (0.003)
Non-recourse State	-0.011 (0.019)	-0.008 (0.019)	-0.010 (0.019)
Constant	0.514*** (0.063)	0.492*** (0.064)	0.519*** (0.063)
Observations	1,852	1,890	1,852

Table A.8. The role of the media in explaining strategic defaults

The dependent variable is a dummy equal to one if the homeowner says s/he is willing to default when the value of his home equity equal -50K even if s/he can afford to pay the monthly mortgage costs. All the other variables are defined in section B of the Appendix. Since data on the media were collected starting with wave 4, estimates are based on waves 4-8. The reported coefficients are marginal effects estimated with a probit model and computed at the mean of the independent variables. All the regressions contain a constant term and dummies for waves. Robust standard errors are in brackets. */**/** indicates statistical significance at the 10%, 5%, and 1% level.

	(1)	(2)	(3)	(4)	(5)	(6)
Time spent reading/watching news	0.008*	0.034*	0.009*	0.038**	0.009**	0.038**
during an average day (hours)	(0.004)	(0.018)	(0.005)	(0.018)	(0.005)	(0.018)
Wave		0.003		0.005		0.007
		(0.006)		(0.006)		(0.006)
Time news*wave		-0.005		-0.005*		-0.005*
		(0.003)		(0.003)		(0.003)
Know someone who strategically defaulted			0.048***	0.049***	0.065***	0.065***
			(0.016)	(0.016)	(0.024)	(0.024)
Know someone who defaulted					-0.016	-0.016
					(0.015)	(0.015)
Percentage of foreclosures in the area			0.133	0.131	0.135	0.131
			(0.084)	(0.084)	(0.084)	(0.083)
Shortfall % house	0.077***	0.076***	0.075***	0.073***	0.075***	0.075***
	(0.016)	(0.016)	(0.018)	(0.018)	(0.018)	(0.018)
High school	0.011	0.011	0.019	0.020	0.020	0.021
	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
College	-0.009	-0.008	-0.014	-0.014	-0.013	-0.013
	(0.013)	(0.013)	(0.014)	(0.014)	(0.014)	(0.014)
Female	-0.049***	-0.048***	-0.045***	-0.044***	-0.045***	-0.045***
	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Age<=35	0.032	0.031	0.016	0.014	0.017	0.017
	(0.021)	(0.021)	(0.021)	(0.020)	(0.021)	(0.021)
Age>=65	0.021	0.021	0.021	0.021	0.020	0.020
	(0.014)	(0.014)	(0.015)	(0.016)	(0.015)	(0.016)
Kids	-0.003	-0.003	-0.001	-0.002	-0.001	-0.001
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
House price expectation	-0.005	-0.004	-0.004	-0.004	-0.005	-0.004
	(0.006)	(0.006)	(0.007)	(0.007)	(0.007)	(0.007)
Prob. become unemployed	0.032	0.031	0.041**	0.040**	0.042**	0.042**
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Income (100K dollars)	-0.003	-0.004	-0.011	-0.012	-0.011	-0.010
	(0.012)	(0.011)	(0.013)	(0.012)	(0.013)	(0.013)
Black	0.078***	0.078***	0.085**	0.087**	0.086**	0.088**
	(0.030)	(0.030)	(0.034)	(0.034)	(0.034)	(0.034)
Hispanic	0.101***	0.097**	0.068*	0.064*	0.069*	0.067*
	(0.039)	(0.038)	(0.038)	(0.037)	(0.038)	(0.038)
North-East	-0.009	-0.009	-0.002	-0.002	-0.002	-0.003
	(0.015)	(0.015)	(0.016)	(0.016)	(0.016)	(0.016)
South	-0.015	-0.014	-0.017	-0.016	-0.017	-0.017
	(0.013)	(0.013)	(0.014)	(0.014)	(0.014)	(0.014)
West	-0.027*	-0.027*	-0.031**	-0.032**	-0.031**	-0.030**
	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
Bought>5 years	-0.005	-0.006	-0.012	-0.012	-0.011	-0.011
	(0.014)	(0.014)	(0.015)	(0.015)	(0.015)	(0.015)
Risk Aversion	-0.002	-0.002	-0.001	-0.001	-0.002	-0.001
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Non-recourse State	0.004	0.004	0.006	0.006	0.006	0.006
	(0.013)	(0.013)	(0.014)	(0.014)	(0.014)	(0.014)

Observations	2,616	2,616	2,214	2,214	2,214	2,214
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