

Teachers Teaching Teachers: The Role of Networks on Financial Decisions

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Internet Appendix

Table IA.I
TEACHER-MATCHED SAMPLE COMPARISON

	Teacher	Match	Difference	<i>t</i> -statistic
Loan Amount (\$)	135,372.3	135,357.8	14.5	2.62
House Size (sq. ft.)	2,018.2	1,987.7	30.5	4.05
Lot Size (sq. ft.)	11,441.9	57,758.9	-46,317.0	-1.05
Year Built	1,987.7	1,985.7	2.00	10.36

This table compares the average characteristics of the two subsamples of teachers and non-teacher homeowners used in the regression analysis shown in Table III (the falsification test).

Table IA.II
ROBUSTNESS FOR TABLE IV

Panel A: Alternative measure of Peer Refinances					
	(1)	(2)	(3)	(4)	(5)
Peer Refinances	11.821*** (5.54)	10.814*** (5.07)	9.436*** (3.95)	6.390** (2.01)	6.444** (2.03)
Savings (\$, ×10,000)	44.567*** (6.65)	44.981*** (6.69)	48.633*** (6.99)	54.141*** (5.40)	54.131*** (5.40)
1(Underwater)	-9.942 (-1.44)	-11.370 (-1.46)	-10.159 (-1.20)	-8.594 (-0.93)	-7.856 (-0.85)
Percent Underwater	-19.582 (-0.24)	-8.324 (-0.08)	-4.229 (-0.03)	-47.604 (-0.33)	-72.885 (-0.51)
Teacher Characteristics	N	N	N	N	Y
MSA-Year FE	Y	N	N	N	N
District-Year FE	N	Y	N	N	N
Campus-Year FE	N	N	Y	N	N
Campus-Month FE	N	N	N	Y	Y
<i>N</i>	303,467	303,467	303,467	303,467	303,467
<i>R</i> ²	0.024	0.032	0.055	0.242	0.242

Panel B: Excluding September and October					
	(1)	(2)	(3)	(4)	(5)
Peer Refinances	11.968*** (4.90)	11.102*** (4.23)	9.554*** (3.26)	7.533** (2.12)	7.610** (2.14)
Savings (\$, ×10,000)	44.480*** (6.79)	44.781*** (6.87)	48.541*** (7.04)	55.005*** (5.94)	54.955*** (5.95)
1(Underwater)	-11.586 (-1.56)	-12.520 (-1.49)	-12.352 (-1.37)	-10.621 (-1.07)	-9.770 (-0.99)
Percent Underwater	-36.475 (-0.38)	-42.014 (-0.32)	-13.222 (-0.09)	-71.434 (-0.43)	-101.756 (-0.61)
Teacher Characteristics	N	N	N	N	Y
MSA-Year FE	Y	N	N	N	N
District-Year FE	N	Y	N	N	N
Campus-Year FE	N	N	Y	N	N
Campus-Month FE	N	N	N	Y	Y
<i>N</i>	255,808	255,808	255,808	255,808	255,808
<i>R</i> ²	0.025	0.035	0.061	0.237	0.237

This table shows the same estimations as in Table IV. The only difference are 1) in Panel A, the variable *Peer Refinances* takes into account refinances in the previous 2-month period (instead of the previous three months) and 2) in Panel B, observations from September and October are dropped from the sample.

Table IA.III
FIRST STAGE – IV USING AVERAGE PEER SAVINGS

Panel A: Full Sample				
	(1)	(2)	(3)	(4)
Avg. Peer Savings	0.332*** (4.73)	0.331*** (4.82)	0.356*** (5.22)	0.357*** (5.25)
Savings (\$, ×10,000)	-0.053** (-2.04)	-0.054** (-2.10)	-0.032 (-0.86)	-0.026 (-0.70)
1(Underwater)	-0.046 (-0.64)	-0.072 (-0.99)	-0.080 (-1.27)	-0.063 (-0.97)
Percent Underwater	-0.057 (-0.05)	0.481 (0.52)	0.434 (0.50)	0.470 (0.55)
Teacher Characteristics	N	N	N	Y
MSA-Year FE	Y	N	N	N
District-Year FE	N	Y	N	N
Campus-Year FE	N	N	Y	Y
<i>N</i>	219,039	219,039	219,039	219,039
<i>R</i> ²	0.032	0.085	0.212	0.213

This table reports the first stage of the 2SLS IV regressions of Table VI. The dependent variable, *Peer Refinances*, instrumented for in the second stage, is the number of a teacher’s peers who have undertaken a mortgage refinance in the previous 3-month period, scaled by the size of the teacher’s peer group. We use the average net savings conditional on refinancing of a teacher’s peer group *Avg. Peer Savings*, as an exogenous instrument to estimate *Peer Refinances*. The variables *Avg. Peer Savings* and *Peer Refinances* have been standardized. Reported *t*-statistics in parentheses are heteroskedasticity-robust and clustered by MSA-year. ****p*<0.01, ***p*<0.05, **p*<0.1.