

Housing Statistics

(FESAC Meeting, Dec 13, 2013)

Comments on Census and BLS Presentations

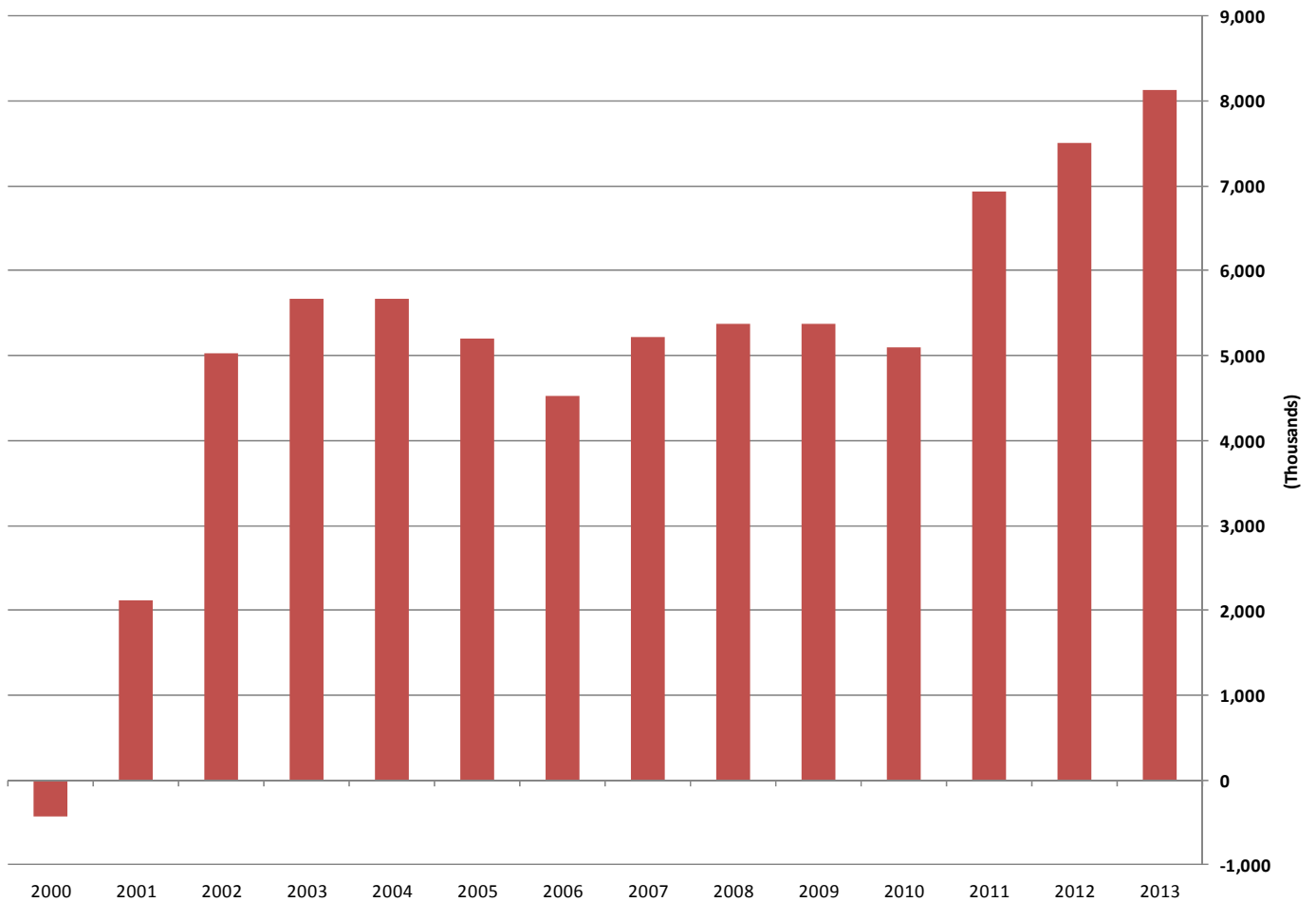
Some Broader Issues on Housing Statistics

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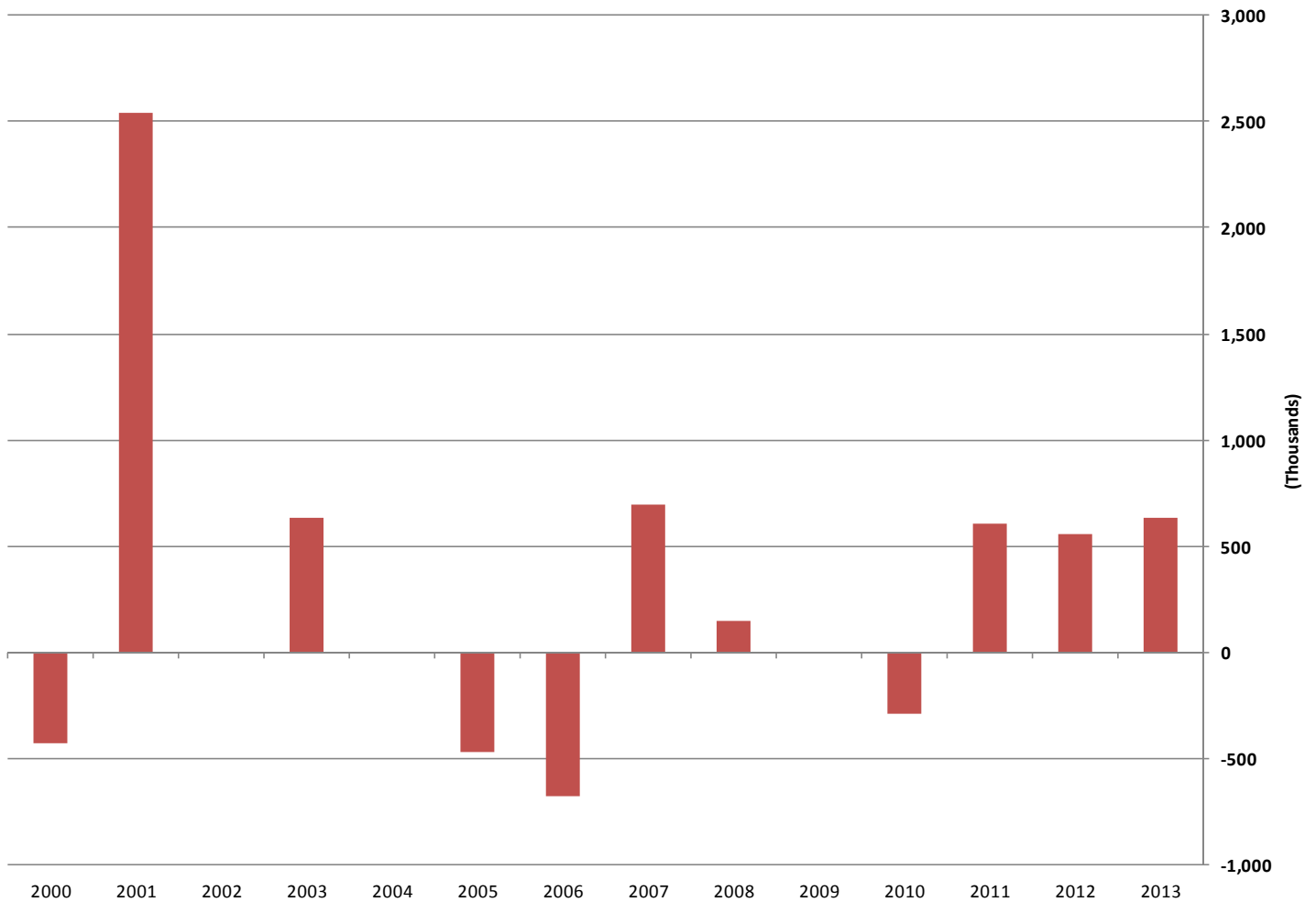
CENSUS: Household Estimates Conundrum

- Importance of housing units/household data
- Implications for household formation
- Difficulty of collecting the data
- Negotiate agreement on standard rules to be used by field representatives in establishing occupancy status
- Hopefully, use of Master Address File (MAF) reduces discrepancies among surveys

Difference Between Actual Household Unit Estimates (CPS/ASEC Minus CPS/HVS)



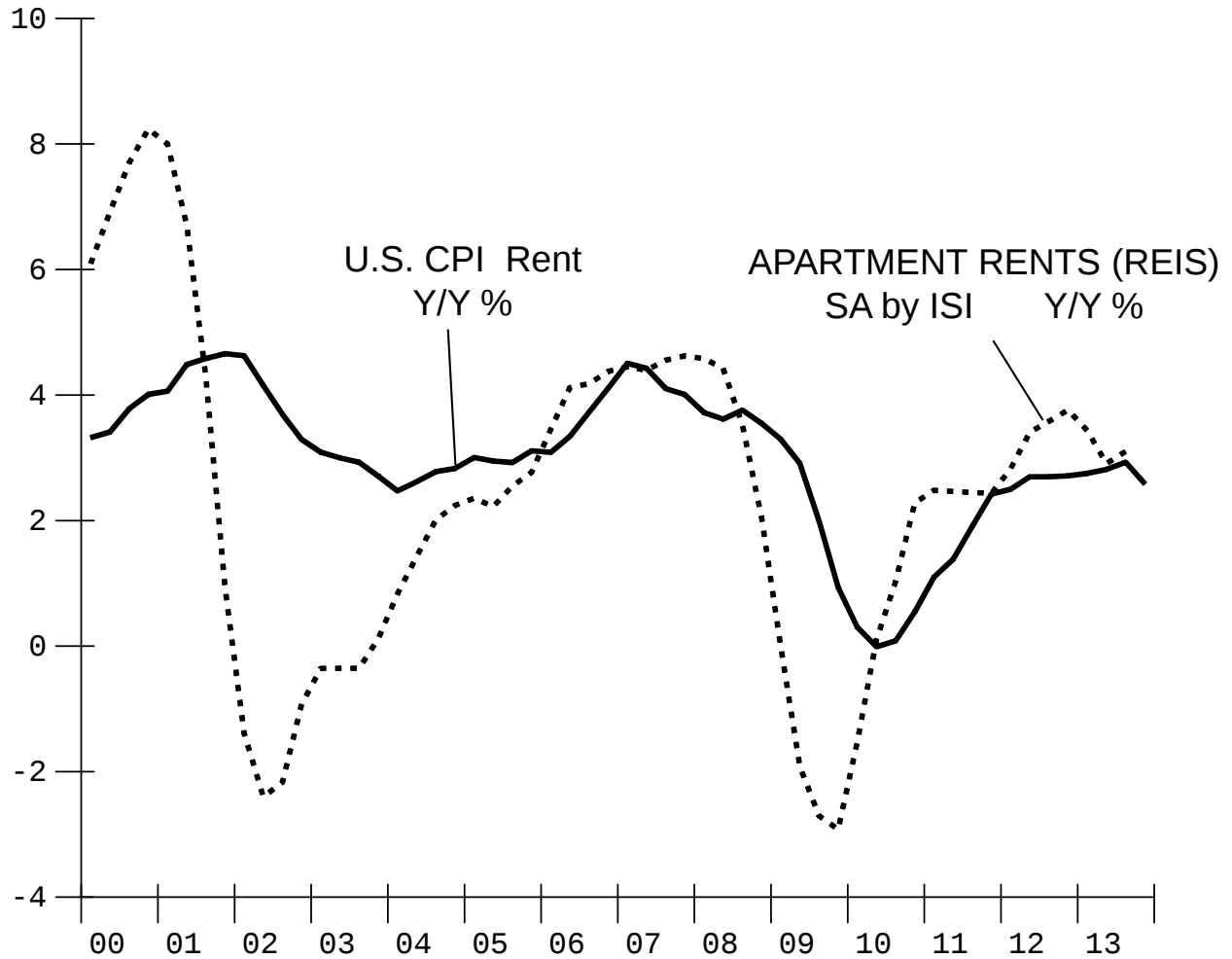
Difference Between YoY HH Formation Estimates (CPS/ASEC Minus CPS/HVS)



CPI Housing Initiatives

- Use of private sector data on addresses
- Continuous updating
- Increasing sample size: not clear why extra units would have lower price relatives
- Standard errors (deviations)
- Rent data: what do we know about it?

Rent: CPI vs REIS Apartment Rents



“Perfect Storm” That Hit U.S. Economy

(Alan Blinder’s List From *After The Music Stopped* (2013))

<u>Problem</u>	<u>Housing Related?</u>
• Asset Bubbles -- House Prices and Bonds	X
• Excessive Leverage	X
• Lax Financial Regulation	X
• Disgraceful banking practices, especially in subprime lending	X
• Crazy quilt of securities and derivatives	X
• Abysmal performance of rating agencies	
• Perverse compensation system in financial institutions (incentives to “go for broke”)	

Where are the Housing Data?

CENSUS

- Starts, permits, completions
- New house sales
- Housing units/households
- Smaller reports on narrow topics
- Residential investment (Value of Construction Put in Place)
- Manufactured home placements and characteristics (Manufactured Homes Survey)
- Total housing stock estimates (Population Estimates Program)

BLS

- Housing price/cost inflation
- Construction (and other housing-related) employment
- CES data on housing-related expenditures

BEA

- Residential investment (nominal, real, prices)
- Improvements

FDIC

- Delinquencies

FHFA

- Some mortgage data
- House price index

FEDERAL RESERVE

- Aggregate mortgage data
- Broad sector holdings of mortgages
- Housing-related assets/liabilities (Survey of Consumer Finances)

FEDERAL FINANCIAL INSTITUTIONS EXAMINATION COUNCIL/FED

- Home mortgage applications and dispositions (Home Mortgage Disclosure Act database)

What's Missing or Incomplete in the Public Domain

Existing house sales

Existing houses for sale

Demolitions

More demographic characteristics of purchasers

House price indexes

Buyers of primary residence vs investors/speculators

Foreclosures (final action)

Prime vs subprime mortgages

New mortgages characteristics

- Price/income ratio

- Loan/value ratio

- Downpayment terms

- Fees in mortgage process

Existing mortgages

- Number with negative equity

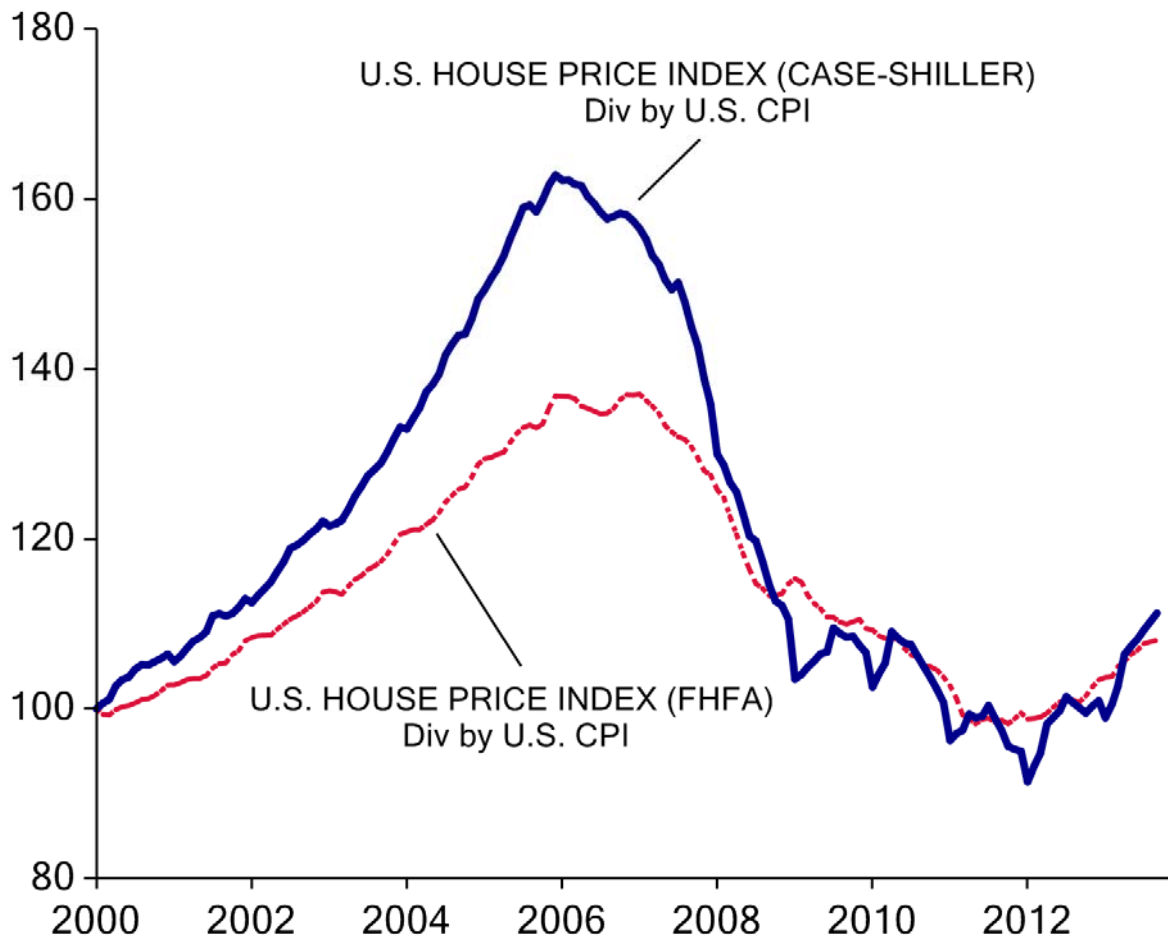
- Amount of negative equity

Holders of mortgages

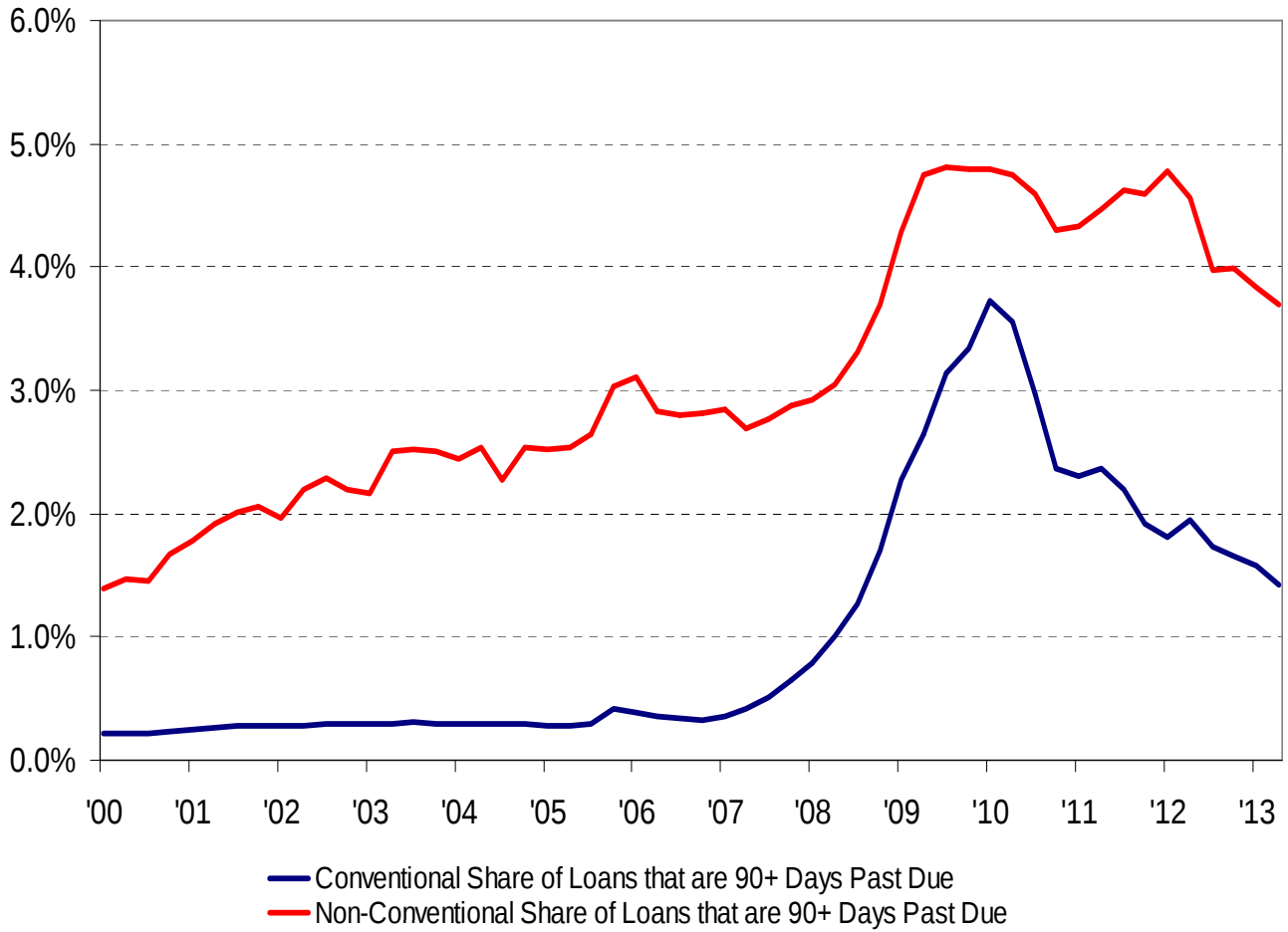
- By type of institution (flows vs stock)

- Securitized amount

Real House Price Measures



Conventional And Non-Conventional SDQ Loans

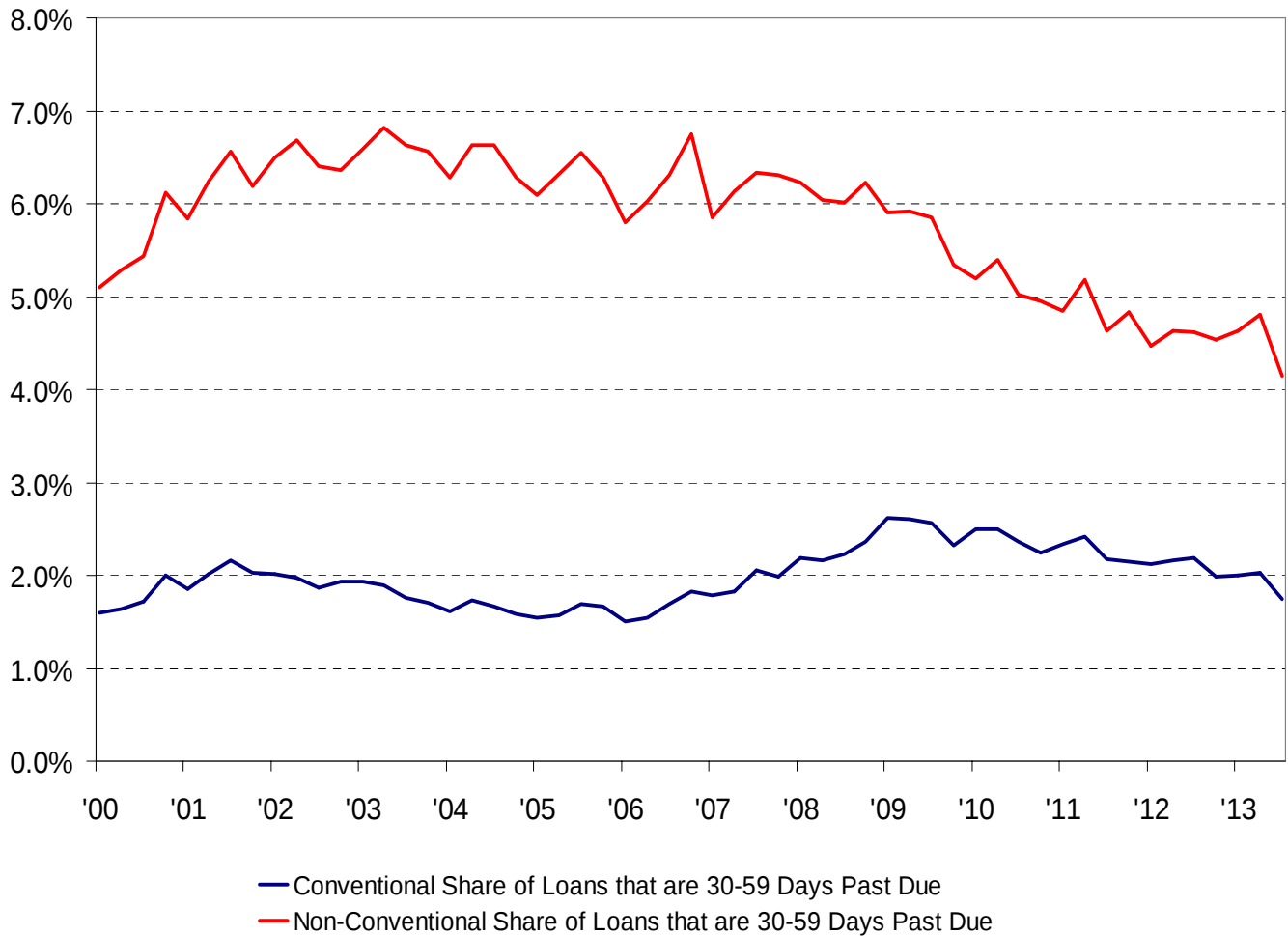


Note1: SDQ defined as loans that are 90+ days delinquent.

Note2: Non-Conventional loans include FHA and VA loans.

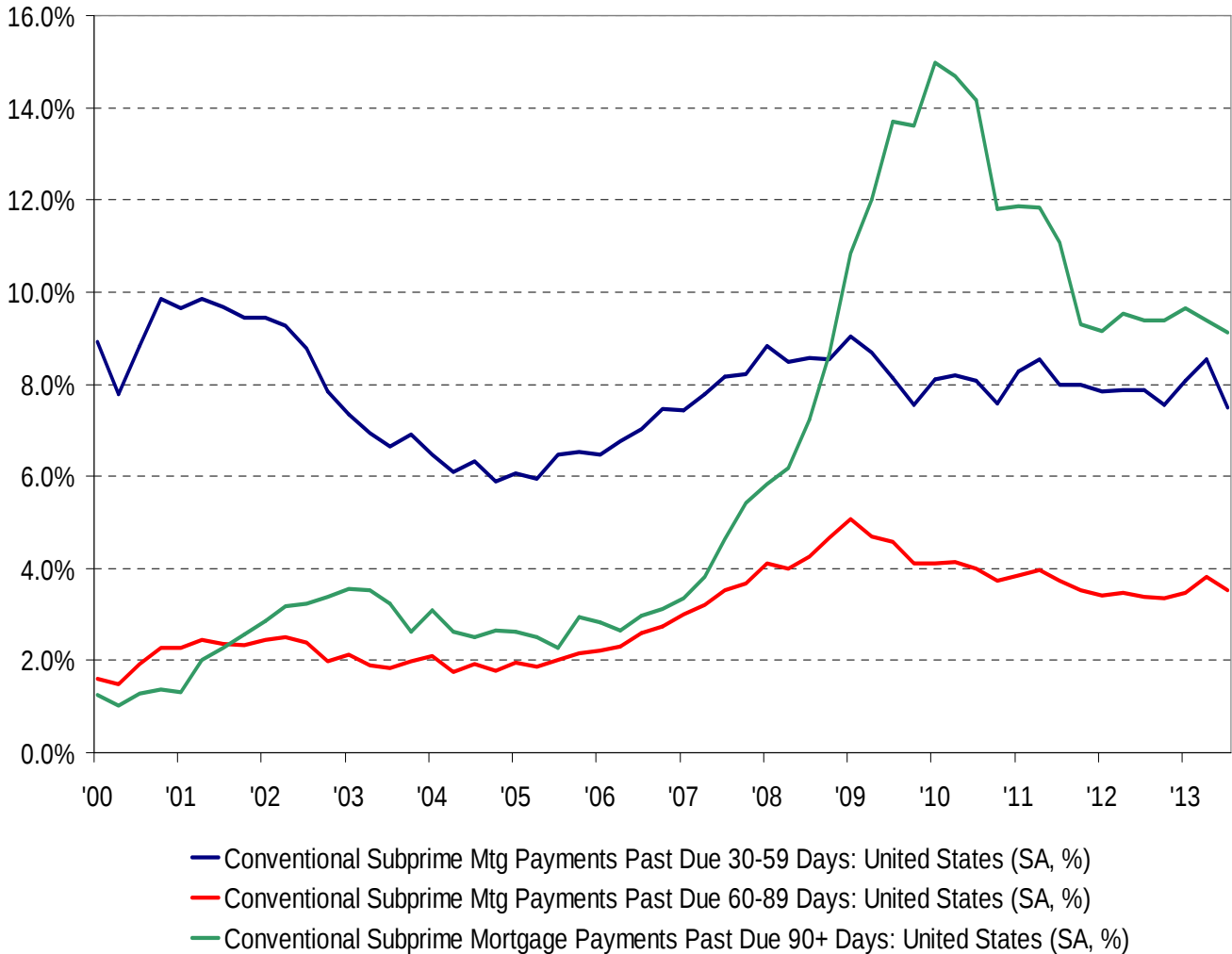
Source: Mortgage Bankers Association

Conventional and Non-Conventional Share of Loans That Are 30-59 Days Delinquent



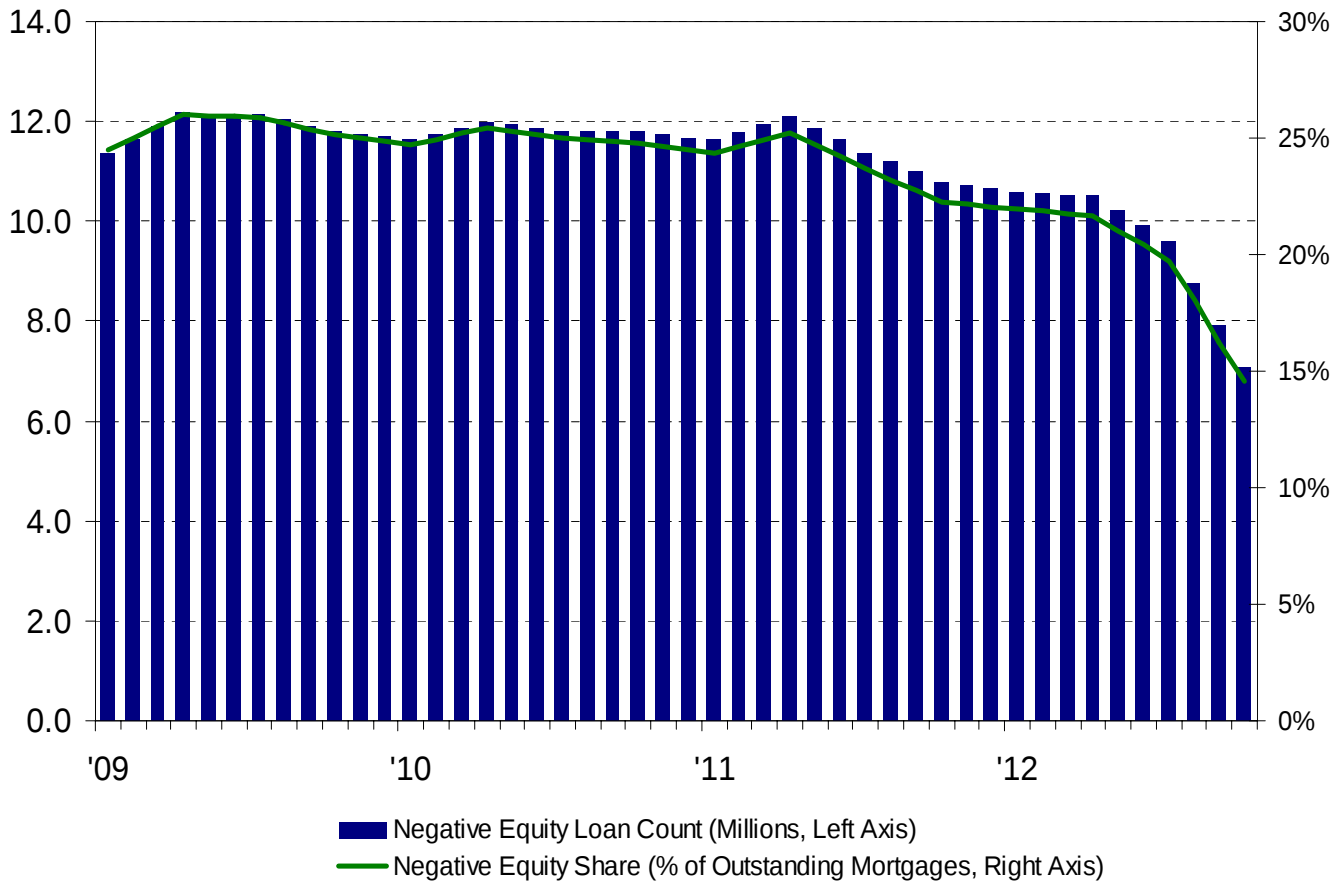
Source: Mortgage Bankers Association

Past Due Subprime Mortgages by Days Delinquent



Source: Mortgage Bankers Association

Underwater Borrowers



Source: CoreLogic