1.	Record Nr.	UNINA9910788232103321
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	Titolo	What Goes Up Must Come Down? House Price Dynamics in the United States / / Vladimir Klyuev
	Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
	ISBN	1-4623-6084-X 1-4527-6017-9 1-4518-7045-0 1-282-84138-6 9786612841385
	Descrizione fisica	1 online resource (31 p.)
	Collana	IMF Working Papers IMF working paper ; ; WP/08/187
	Disciplina	332.6324
	Soggetti	Housing - Prices - United States Banks and Banking Infrastructure Labor Macroeconomics Real Estate Housing Supply and Markets Price Level Inflation Deflation Economic Development: Urban, Rural, Regional, and Transportation Analysis Housing Interest Rates: Determination, Term Structure, and Effects Unemployment: Models, Duration, Incidence, and Job Search Property & real estate Finance Labour income economics Housing prices Asset prices Real interest rates Unemployment rate Prices Saving and investment

Interest rates
Unemployment
United States

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Contents; I. Introduction; II. Long-Term Trends; III. Short-Run Dynamics; IV. Is The United States Experiencing a Nationwide House Price Bust?; V. Conclusion; References; Figures; 1. Price Indices for Existing Single-Family Homes, 2000Q1=100; 2. Real Home Price and Rent, 2000=100; 3. Actual and Predicted Real Home Prices by Region. Supply-Demand System; 4. Real OFHEO Purchase-Only House Price (Index; 2000=100); 5. Predicted Prices with Different Estimation End Points; 6. Actual and Predicted Real Home Prices by Region. Single Equation 7. Real Home Prices - Actual and Estimated in a Cointegrating Relationship Between Home Prices, Rents, and Interest Rates. Estimation with Different End Points8. Real Home Prices - Actual and Estimated in a Cointegrating Relationship Between Home Price-to-Rent Ratio and Interest Rates. Estimation with Different End Points; 9. Real Home Price Predicted by a Cointegration Model; 10. Prediced Log Real Home (Cointegration Method) and Contributions; 11. Sales and Inventory for Sale of Existing Single Family Homes; 12. Simulation of Real Home Price Level 13. Simulation of Real Home Price Quarterly Growth -- 14. Year-on-Year Growth Rates of Home Prices -- 15. Quarter-on-Quarter Growth Rates of Home Prices -- 16. Standard Deviation of Home Price Growth Rates Across Divisions -- 17. Diffusion Index for Year-on-Year Home Price Growth Across Census Divisions -- ; 18. Diffusion Index for Quarter-on-Quarter Home Price Growth Across Census Divisions -- Tables; 1. Estimated Supply and Demand System for Real Home Prices -- 2. Estimated Equations for Real Home Prices as a Function of Fundamentals -- 3. Home Price as a Function of Fundamentals with Land-Constraint Dummy -- 4. Cointegrating Relationship Between Real House Prices, Rents, and Interest Rates -- 5. Home Price Appreciation and Price Gap -- 6. Short-Run Determinants of Real Home Price Appreciation -- 7. Evolution of Inventory-to-Sales Ratio
Sommario/riassunto	This paper estimates the evolution of equilibrium real home prices in the United States and finds that despite recent declines, single-family homes remained 8 to 20 percent overvalued as of the first quarter of 2008. In the short run, the gap between actual and equilibrium prices does not exert powerful influence over price dynamics. Instead, that dynamics is driven by the inventory-to-sales ratio and by foreclosure starts in a highly inertial relationship. Taken together, this implies that price declines are likely to continue, including past the point where overvaluation is eliminated. The paper also finds that from the early 1990s onwards changes in regional home prices have been more synchronized than before, and that the recent movements in the average price index have reflected a nationwide housing boom, followed by a nationwide housing bust.