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Soggetti	Credit - United States Credit - United States - Econometric models Moral hazard - United States - Econometric models Macroeconomics Money and Monetary Policy Real Estate Industries: Financial Services Banks Depository Institutions Micro Finance Institutions Mortgages Money Supply Credit Money Multipliers Housing Supply and Markets Personal Income, Wealth, and Their Distributions Monetary Policy, Central Banking, and the Supply of Money and Credit: General Finance Property & real estate Monetary economics Loans Housing prices Personal income

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Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Contents; I. Introduction; II. Related Literature; III. Data and Descriptive Statistics; IV. Empirical Methodology; V. Empirical Findings; A. Effects of Changes in the Pool of Applicant Borrowers; B. Identification and Robustness Issues; C. Sensitivity Analysis: Time and Size Effects; D. Effects of Entry and Changes in Market Structure; E. Alternative Proxies for Lending Standards; F. Effects of Loan Sales; VI. Discussion and Conclusions; References; Tables; 1. Coverage in HMDA; 2. Definitions and Sources of Variables; 3. Summary Statistics; 4. Evolution of Denial Rates 5. Determinants of Denial Decision 6. Prediction Errors; 7. Robustness; 8. Time and Size Effects; 9. Market and Boom Size; 10. Market Entry and Denial Rates of Incumbents in Prime and Subprime Markets; 11. Alternative Measures of Lending Standards; 12. Securitization, Lending Standards, and Mortgage Market Expansion; Figures; 1. House Prices and Credit Booms; 2. Subprime Mortgage Boom Across the Nation; 3. House Prices and Credit Boom; 4. Lending Standards and Subprime Credit Boom
Sommario/riassunto	This paper links the current sub-prime mortgage crisis to a decline in lending standards associated with the rapid expansion of this market. We show that lending standards declined more in areas that experienced larger credit booms and house price increases. We also find that the underlying market structure mattered, with entry of new, large lenders triggering declines in lending standards by incumbent banks. Finally, lending standards declined more in areas with higher mortgage securitization rates. The results are consistent with theoretical predictions from recent financial accelerator models based on asymmetric information, and shed light on the relationship between credit booms and financial instability.