

Housing Economics and Markets



970:528

975:498

Fall 2002

Mondays 6–8:40 pm

Professor Jan S. Wells

This course explores the dynamics of supply and demand that create the U.S. housing market. It features an in-depth review of national demographic trends and analyses of published data such as the *U.S. Census of Population and Housing*, *American Housing Survey*, and *Employment and Earnings*. Discussions on housing construction, components and change in inventory, housing costs, the mortgage qualification process, and the secondary mortgage market are included. Market realities, government policies and affordable/alternative housing initiatives complete the course. Use of spreadsheet capabilities is required.

CLASS RESPONSIBILITY

Students are expected to attend classes, be punctual, do the required readings and assignments on a timely basis, and participate in class discussions. Knowledge of EXCEL or another spreadsheet software is a necessity. All students should have access to the internet either through the school computer lab or at home. Many of the homework assignments will require the securing of web-based Census data. Classes will feature student discussion, videos, speakers and possible a field trip.

COURSE ASSIGNMENTS

1. **Major Project:** The major course assignment will be a housing market analysis of a metropolitan area utilizing the *American Housing Survey* and other related data sources. This is **50 percent** of grade. **Due no later than Dec. 16th.** Detail

requirements of this paper will be given out in class.

2. Other Assignments: There will be several homework and short writing assignments related to data acquisition and analysis (**25 percent** of grade).
3. Exam (**25 percent** of grade).

TEXT

- ✓ Farley, Reynolds. 1996. *The New American Reality*. New York: The Russell Sage Foundation. (at Rutgers Bookstore or web-based bookstore such as Amazon)
- ✓ Clark, William A.V. and Frans M. Dieleman. 1996. *Households and Housing*. New Brunswick: The Center for Urban Policy Research, Rutgers — The State University of New Jersey. (Available from CUPR at discount. See Yvonne Hardie, 4th Floor, ext. 566)
- ✓ Hughes, James W. and Joseph J. Seneca, eds. 1999. *America's Demographic Tapestry*. New Brunswick, NJ: Rutgers University Press. (Will be given out in class at no charge.)

Readings: Will be given out from week to week in connection with brief question assignments.

CLASS SCHEDULE

- I. Sept. 9 The U. S. Census Bureau
 - **Overview: history, definitions, execution of the decennial census**
 - **Issues in Census design and Census 2000**
 - **American Housing Survey**
 - **American Community Survey**
 - **Current Population Survey and other Census Bureau reports**
- II. The Demand Parameters
 - Sept. 16
 - **Population: Number and Age Structure**
 - **Fertility & Birth Expectations**
 - Sept. 23
 - **Racial and Ethnic Partitions**
 - **Immigration**
 - Sept. 30
 - **Households and Income**

Oct. 7

- **Labor Force & Working Patterns**

Oct. 14

- **The Geography of Demography**
- **Future Demand Profiles**

III. Housing Supply Parameters

Oct. 21

- **Construction process, types of housing units, life-cycle**

Oct. 28

- **Components of inventory change, home sale prices, rent levels**

Nov. 4

- **Qualifying for a mortgage**

Nov. 11

- **Secondary mortgage markets and mortgage finance**

Nov. 18

- **Exam**

VI. Market Realities and Gaps

Nov. 25

- **Demand-Supply Intersections**

Dec. 2

- **Government Intervention**

Dec. 9

- **Affordable/Alternative Housing Models**