

Housing market indicators

I. Prices and costs			
	Source	Periodicity	Observations
Housing Price Index (INE)	Instituto Nacional de Estadística	Quarterly	Basic data: Public notaries State-subsidised housing is excluded. When it is the first transfer on the merchanting deed the dwelling is classified as new.
Average price per m ² of open-market (unsubsidised) housing	Ministerio de Fomento	Quarterly	Basic data: Appraisals The geographical disaggregations have been estimated using provincial data published by the Ministerio de Fomento, taking as weights the number of houses in each province according to the INE's 2001 Population and Housing Census.
Asking prices (average price per m ²)	Sociedad de Tasación, S.A.	Half-yearly	Average price of new housing on sale in all provincial capitals.
• New housing	Fotocasa and Expocasa	Monthly	Average price of second-hand houses at national level.
• Second-hand housing			
Rentals CPI	Instituto Nacional de Estadística	Monthly	Rented housing sub-class of the CPI.
Index of residential building costs	Ministerio de Fomento	Monthly	Includes labour and materials.
Housing investment deflator	Instituto Nacional de Estadística	Quarterly	Quarterly National Accounts, implicit deflator of gross fixed capital formation in housing.

Housing market indicators (cont'd 1)

II. Activity			
	Source	Periodicity	Observations
Supply			
Number of housing approvals in last twelve months	Ministerio de Fomento	Monthly	Construction approvals for housing starts
Number of housing starts in last twelve months	Ministerio de Fomento	Monthly	Geographical disaggregations are obtained by aggregating the provincial data.
Demand			
House purchase transactions			
• Before a notary public	Ministerio de Fomento	Quarterly	Geographical disaggregations have been obtained by aggregating provincial data.
• Registered	Colegio de Registradores and Instituto Nacional de Estadística	Quarterly / Monthly	Until December 2006, quarterly data published by the Colegio de registradores; subsequently, property rights transfer statistics issued by the INE.
Residential investment	Instituto Nacional de Estadística	Quarterly	Quarterly National Accounts, volume chain-linked index, reference year 2000=100, gross fixed capital formation in housing.

Housing market indicators (cont'd 2)

III. Demographic variables			
	Source	Periodicity	Observations
Population >= 25 years of age	Instituto Nacional de Estadística	Quarterly	EPA, methodology 2005.
Households	Instituto Nacional de Estadística	Quarterly	EPA, methodology 2005.
Number of dwellings per household	Banco de España	Quarterly	Estimated total number of houses (see memorandum items at the end of note) divided by the number of households according to the EPA.

IV. Foreign investment in property			
Cumulative investment in past four quarters	Balance of payments	Quarterly	Includes all investment in property, not only in housing

Housing market indicators (cont'd 3)

V. Affordability			
	Source	Periodicity	Observations
Borrowing conditions:			
Average new mortgage term	Colegio de Registradores	Quarterly	
Loan/value ratio (LTV) % of new loans with LTV > 80%	Colegio de Registradores and Banco de España	Quarterly	The loan to value ratio is calculated as the quotient of the loan principal and the appraisal value registered in the register. New operations.
Interest rate for unsubsidised loans	Banco de España	Monthly	Annual Percentage Rate (APR). To December 2002, rate reported by entities under BE Circular 8/1990. Since January 2003, rates reported under Circular 4/2002
Labour market:			
Employment	Instituto Nacional de Estadística	Quarterly	EPA, 2005 methodology.
Rate of youth unemployment (20-29 years old)	Instituto Nacional de Estadística	Quarterly	EPA, 2005 methodology. The new definition of unemployment applies from 2001 Q1 onwards. In 2005 Q1, there is a break in the series attributable to the new 2005 methodology [new compulsory variables introduced by Regulation (EC) 2257/2003, the establishment of a centralised procedure for telephone interviews and changes to the modifying questionnaire].

Housing market indicators (cont'd 4)

V. Affordability			
	Source	Periodicity	Observations
Measures of effort:			
Price of housing/gross household income	Banco de España	Quarterly	Average price of an unsubsidised dwelling of 93.75 m2 divided by average gross household income (see May 2005 edition of the BE Boletín Económico, pp. 65-71 and 2005 Spanish Survey of Household Finances) . The latest data include estimates of information that is not yet available and are, therefore, subject to possible future revisions .
Annual theoretical effort without deductions	Banco de España	Quarterly	Gross amount of installments payable by an average household during the first year following the purchase of a standard dwelling financed with a standard loan for 80% of the value of the dwelling, as a percentage of the household's annual disposable income (see May 2005 edition of the BE Boletín Económico, pp. 65-71 and 2005 Spanish Survey of Household Finances). The latest data include estimates of information that is not yet available and are, therefore, subject to possible future revisions.
Annual theoretical effort with deductions	Banco de España	Quarterly	Amount of installments payable by an average household, net of tax deductions, during the first year following the purchase of a standard dwelling financed with a standard loan for 80% of the value of the dwelling, as a percentage of the household's annual disposable income (see May 2005 edition of the BE Boletín Económico, pp. 65-71 and 2005 Spanish Survey of Household Finances). The latest data include estimates of information that is not yet available and are, therefore, subject to possible future revisions. From January 2011 tax credits for house purchase have been abolished throughout Spain for taxpayers with annual income of more than €24.107,20 and are staggered for taxpayers obtaining total earnings of between €17.707,20 and €24.107,20. However, this measure does not currently affect the affordability indicator (including tax credits) which is presented in these summary indicators. This is because, although the total income of the average household considered is higher than the above-mentioned ceiling, that estimated per taxpayer (to which the above-mentioned limits are applied) currently stands at below €17.707,20. Only when this latter amount is exceeded will the tax change have an effect on the affordability measurement presented.

Housing market indicators (cont'd 5)

VI. Wealth			
	Source	Periodicity	Observations
Net household financial wealth	Banco de España	Quarterly	Total financial assets less total liabilities
Household real-estate wealth	Banco de España	Quarterly	Based on estimated change in stock of housing (see memorandum items at end of note), in average surface area thereof (linear interpolation of censal data) and in price per m ² (Ministerio de Fomento, base year 2001). Data prior to 2001 Q1 have been calculated using the rates of change of the former series (base year 1987). Data subsequent to 2004 Q4 have been calculated using the rates of change in the new series of price per m ² (Ministerio de Fomento, base year 2005). Given that it has been necessary to link two conceptually different price series, these results should be interpreted with some caution.
Total household wealth	Banco de España	Quarterly	

VII. Credit (including securitisation)			
Total credit to non-financial private sector	Banco de España	Monthly	Credit to other resident sectors. Includes on-balance-sheet and securitised credits.
Total mortgage credit	Banco de España	Monthly	Mortgage lending to other resident sectors. Includes on-balance-sheet and securitised credits
Credit to households for house purchase	Banco de España	Monthly	Credit for purchase and refurbishment of housing. Includes on-balance-sheet and securitised credits.
Number of new mortgage loans	Banco de España	Quarterly	Comprises all new mortgage loans, including subrogations. In the case of house purchase loans, loans to the developer for house construction are not included unless the purchaser is subrogated to them.
Financing under housing schemes	Banco de España	Quarterly	The data include both national plans and regional plans from June 2005. Prior to that date only national plans are included.
Doubtful loans to households for house purchase and renovation. Doubtful loans ratio.	Banco de España	Quarterly	Ratio of doubtful loans and advances to households for house purchase and refurbishment to total loans and advances to households for house purchase and refurbishment. Includes only on-balance-sheet credit.

Housing market indicators (cont'd 6)

VIII. Return on alternative investments			
	Source	Periodicity	Observations
Housing	Banco de España	Quarterly	In the case of housing, the total gross return is calculated as the estimated gross return based on rental plus increase in value.
Gross return on rental	Banco de España	Quarterly	Average rental per m ² is estimated on the basis of the 2006 figure drawn from the 2006 survey on rental housing of households in Spain of the Ministerio de Fomento and changes in the rentals CPI.
Money Market funds	Comisión Nacional del Mercado de Valores	Monthly	In the period for which there are no data on money market fund yields, those for short-term fixed-income capital market funds are used.
Capital market funds	Comisión Nacional del Mercado de Valores	Monthly	
Stock market (IBEX-35)	Sociedad de Bolsas, S. A.	Monthly	

IX. International comparison			
Real price indices	European Central Bank, Bank for International Settlements, OECD.	Varies according to country	

Housing market indicators (cont'd 7)

MEMORANDUM ITEM: Housing stock			
	Source	Periodicity	Observations
Number of dwellings	Instituto Nacional de Estadística (Housing Census)	Ten-yearly	The figure from each census corresponds to a specific month (not always the same one) in the year in which the census is conducted.
	Banco de España	Monthly	A new estimate has been introduced. It is calculated by backward and forward extrapolation of the figure in the latest census (November 2001) on the basis of the number of smoothed t-24 housing approvals by the Association of Architects, assuming a depreciation rate of 0.25% per annum. The series of housing approvals by the Association of Architects is smoothed by taking the months t-2 to t+2, with weights of 1/9, 2/9, 3/9, 2/9 and 1/9.
Percentage of dwellings that are primary/secondary/unoccupied and other	Instituto Nacional de Estadística (Housing Census)	Ten-yearly	
Percentage of main dwellings that are owner-occupied/rented/free let and other	Instituto Nacional de Estadística (Housing Census)	Ten-yearly	
	Household Expenditure Survey	Annual	