

The Housing Boom And Bust: Revised Edition

The Great American Recession resulted in the loss of eight million jobs between 2007 and 2009. More than four million homes were lost to foreclosures. Is it a coincidence that the United States witnessed a dramatic rise in household debt in the years before the recession—that the total amount of debt for American households doubled between 2000 and 2007 to \$14 trillion? Definitely not. Armed with clear and powerful evidence, Atif Mian and Amir Sufi reveal in House of Debt how the Great Recession and Great Depression, as well as the current economic malaise in Europe, were caused by a large run-up in household debt followed by a significantly large drop in household spending. Though the banking crisis captured the public's attention, Mian and Sufi argue strongly with actual data that current policy is too heavily biased toward protecting banks and creditors. Increasing the flow of credit, they show, is disastrously counterproductive when the fundamental problem is too much debt. As their research shows, excessive household debt leads to foreclosures, causing individuals to spend less and save more. Less spending means less demand for goods, followed by declines in production and huge job losses. How do we end such a cycle? With a direct attack on debt, say Mian and Sufi. More aggressive debt forgiveness after the crash helps, but as they illustrate, we can be rid of painful bubble-and-bust episodes only if the financial system moves away from its reliance on inflexible debt contracts. As an example, they propose new mortgage contracts that are built on the principle of risk-sharing, a concept that would have prevented the housing bubble from emerging in the first place. Thoroughly grounded in compelling economic evidence, House of Debt offers convincing answers to some of the most important questions facing the modern economy today: Why do severe recessions happen? Could we have prevented the Great Recession and its consequences? And what actions are needed to prevent such crises going forward?

We are experiencing a historic wealth-building opportunity, says David Lereah, chief economist for the National Association of Realtors. As Lereah has predicted, the double-digit appreciation boom—far from a real estate “bubble”—is winding down to a healthy real estate expansion that will keep the long-term fundamentals for housing strong into the foreseeable future. To ensure that you don’t miss out, Lereah provides the tools, information, and analysis you need to become a savvy real estate investor.

Not employment or inflation as argued during the Great Depression and years of Reaganomics, the mechanism that drives the business cycle is proven to be the housing and property market in this analysis of the instability of financial markets. The consequences of how neoclassical economics ignores the importance of land are presented in a discussion of the dot-com crash. Agricultural, industrial, and commercial property and the housing market are examined to suggest that policymakers must revise their treatment of land in economic decisions to avoid the next economic crash, predicted for 2010.

Exploring the forceful renewal of the boom-and-bust cycle after several decades of economic stability, this book is a research-based review of the factors that caused the 2008 recession. It offers cutting-edge diagnoses of the recession and prescriptions on how to boost the economy from leading economists. The book concentrates on the Federal Reserve and its leading role in creating the economic boom and recession of the 2000s. Aimed at professional economists and readers well versed in the basic workings of the economy, it includes innovative proposals on how to avoid future boom-and-bust cycles.

American Power, Global Capital, and the Housing Bubble

Boom and Bust Banking

Building from the Ground Up

How a Housing Shortage Caused the Great Recession and Crippled Our Economy

NBER Macroeconomics Annual 2015

The Role of Commercial Lending in the Bankruptcy of Banks

Housing market is documented with several observations: considerably larger fluctuations in housing prices than in rents, correlation between housing prices and investment, lead-lag pattern of housing and macroeconomic variables. This paper constructs a two-sector housing model with home owning/renting heterogeneity and housing financial frictions to explain the observed facts in housing markets and to explore the interactions between housing markets, rental markets and mortgage markets. The model provides theoretical explanations to the housing boom-bust and the transmission mechanism of housing market fluctuations to business cycles. The paper predicts that house rent-price ratio correlates with expected house price growth and changes with temporary shocks in financial constraints and/or persistent changes in mortgage rates. Model extension suggests that home ownership is endogenously determined by down payment restrictions and aggregate shocks. The model matches with the empirical evidences observed in house market. The quantitative results suggest that the financial shock generates house price fluctuation considerably larger than rents, which explains the observed price-rent fluctuations.

Between 1996 and 2006 the U.S. has experienced an unprecedented boom in house prices. As it has proven to be difficult to explain the large price increase by observable fundamentals, many observers have emphasized the role of speculation, i.e. expectations about future price developments. The argument is, however, often indirect: speculation is treated as a deviation from a benchmark. The present paper aims to identify house price expectation shocks directly. To that purpose, we estimate a VAR model for the U.S. and use sign restrictions to identify house price expectation, housing supply, housing demand, and mortgage rate shocks. House price expectation shocks are the most important driver of the boom and account for about 30 percent of the real house price increase. We also construct a model-based measure of exogenous changes in price expectations and show that this measure leads a survey-based measure of changes in house price expectations. Our main identification scheme leaves open whether expectation shifts are realistic or unrealistic. In extensions, we provide evidence that price expectation shifts during the boom were primarily unrealistic and were only marginally affected by realistic expectations about future fundamentals.

Why do stock and housing markets sometimes experience amazing booms followed by massive busts and why is this happening more and more frequently? In order to answer these questions, William Quinn and John D. Turner take us on a riveting ride through the history of financial bubbles, visiting, among other places, Paris and London in 1720, Latin America in the 1820s, Melbourne in the 1880s, New York in the 1920s, Tokyo in the 1980s, Silicon Valley in the 1990s and Shanghai in the 2000s. As they do so, they help us understand why bubbles happen, and why some have catastrophic economic, social and political consequences whilst others have actually benefited society. They reveal that bubbles start when investors and speculators react to new technology or political initiatives, showing that our ability to predict future bubbles will ultimately come down to being able to predict these sparks.

This book re-examines the role of urban policy and planning in relation to the housing market in an era of global uncertainty and change. The relationship between planning and the housing market is a contested problem across research, policy, and practice. Problems with housing supply and affordability in many nations have been linked to planning system constraints, while the global financial crisis has raised new questions about the role of urban planning regulation and processes in responding to housing market trends. With reference to international cases from the United Kingdom, the United States, Ireland, Hong Kong and Australia, the book examines how different systems of urban planning and governance address complex and dynamic housing market trends. It also offers practical guidance on how urban planning can support an efficient supply of appropriate and affordable homes in preferred locations. A detailed study, which explains and decodes the workings of the planning system and housing market, this book will be of particular interest to scholars of human geography and urban planning, as well as housing policy makers and practitioners. To view Nicole Gurrán's related TEDx talk please visit: Housing Crisis? How about housing solutions. TEDx Sydney 2018

(http://bit.ly/2psfpMw)

Explaining the United States' Uniquely Bad Housing Market

Boom and Bust

House Prices, Banking and the Depression of 2010

Bubbles, Booms, and Busts

Underwater

Owner Occupation, Government Regulation and the Credit Crunch

While the recent economic crisis was a painful period for many Americans, the panic surrounding the downturn was fueled by an incomplete understanding of economic history. Economic hysteria made for riveting journalism and effective political theater, but the politicians and members of the media who declared that America was in the midst of the greatest financial calamity since the Great Depression were as wrong and misguided as the expansionists of the Roosevelt era. In reality the cyclical nature of market economies is as old as the markets themselves. In a free market system, financial downturns inevitably accompany economic prosperity-but the overall trend is upward progress in living standards and national wealth. While it is helpful to understand what caused the recent crisis, the more important questions to consider are 'What makes the 'boom and bust' cycle so predictable?' and 'What are the ethical responsibilities of the citizens of a free market economy?' In Boom and Bust: Financial Cycles and Human Prosperity, Alex J. Pollock argues that while economic downturns can be frightening and difficult, people living in free market economies enjoy greater health, better access to basic necessities, better education, work less arduous jobs, and have more choices and wider horizons than people at any other point in history. This wonderful reality would not exist in the absence of financial cycles. This book explains why.

Explains how we got into the current economic disaster that developed out of the economics and politics of the housing boom and bust. The "creative" financing of home mortgages and "creative" marketing of financial securities based on these mortgages to countries around the world, are part of the story of how a financial house of cards was built up--and then collapsed.

The Housing Boom and BustRevised EditionBasic Books

This year, the NBER Macroeconomics Annual celebrates its thirtieth volume. The first two papers examine China's macroeconomic development. "Trends and Cycles in China's Macroeconomy" by Chun Chang, Kaiji Chen, Daniel F. Waggoner, and Tao Zha outlines the key characteristics of growth and business cycles in China. "Demystifying the Chinese Housing Boom" by Hanming Fang, Quanlin Gu, Wei Xiong, and Li-An Zhou constructs a new house price index, showing that Chinese house prices have grown by ten percent per year over the past decade. The third paper, "External and Public Debt Crises" by Cristina Arellano, Andrew Aikeson, and Mark Wright, asks why there appear to be large differences across countries and subnational jurisdictions in the effect of rising public debts on economic outcomes. The fourth, "Networks and the Macroeconomy: An Empirical Exploration" by Daron Acemoglu, Ufuk Akcigit, and William Kerr, explains how the network structure of the US economy propagates the effect of gross output productivity shocks across upstream and downstream sectors. The fifth and sixth papers investigate the usefulness of surveys of household's beliefs for understanding economic phenomena. "Expectations and Investment," by Nicola Gennaioli, Yueran Ma, and Andrei Shleifer, demonstrates that a chief financial officer's expectations of a firm's future earnings growth is related to both the planned and actual future investment of that firm. "Declining Desire to Work and Downward Trends in Unemployment and Participation" by Regis Barnichon and Andrew Figura shows that an increasing number of prime-age Americans who are not in the labor force report no desire to work and that this decline accelerated during the second half of the 1990s.

How to Build Wealth in Today's Expanding Real Estate Market

Model Meets Evidence

Housing Boom-Bust and Price-Rent Dynamics Over the Business Cycle

Housing Boom and Bust

Subprime Mortgages

House price moments in boom-bust cycles

In this concise volume, leading economist John B. Taylor offers empirical research to explain what caused the current financial crisis, what prolonged it, and what dramatically worsened it more than a year after it began. The evidence he presents strongly suggests that specific government actions and interventions are largely to blame and that any future government interventions must be based on a clearly stated diagnosis of the problem and a rationale for the interventions.

The must-read summary of Thomas Sowell's book: "The Housing Boom and Bust". This complete summary of "The Housing Boom and Bust" by Thomas Sowell, a prominent American economist and social theorist, presents his assessment of the economic and political reasons behind the rise and decline of the housing market during the last decade. He argues that government interventions are not effective, and that political parties created financial dangers that led to the sub-prime mortgage crisis and subsequent economic collapse. Added-value of this summary: • Save time • Understand how creative marketing for mortgages led to financial collapse • Expand your knowledge of economics and American politics To learn more, read "The Housing Boom and Bust" and discover the economic and political reasons behind the rise and decline of the housing market in the last decade.

Scary headlines and scarier statistics tell the story of a financial crisis on a scale not seen in decades - certainly not within the lifetime of most Americans. Moreover, this is a worldwide financial crisis. Financial institutions on both sides of the Atlantic have either collapsed or have been saved from collapse by government bailouts, as a result of buying securities based on American housing values that eroded or evaporated.Now completely revised in paperback, The Housing Boom and Bust is designed to unravel the tangled threads of that story. It also attempts to determine whether what is being done to deal with the problem is more likely to make things better or worse.

Housing bubbles burst, creating economic misery for millions. Over the past thirty years, the culture of property ownership has become so ingrained that policy makers, bankers and households have taken for granted that housing is a good investment and forgotten about the bust. Explaining how the current crisis in housing markets has arisen, this topical and sharp analysis considers the causes of house price bubbles and the reason for the collapse in markets worldwide. Written for students, it explains the economic cycle of housing, ways in which future booms and busts can be mitigated and how the lessons of this latest housing bubble can finally be learned.

Boom Or Bust?

Review and Analysis of Thomas Sowell's Book

Price Expectations and the U.S. Housing Boom

The Politics of Housing Booms and Busts

The Housing Boom and Bust

Reclaiming the American Housing Boom

In his exceedingly timely and innovative look at the ramifications of the collapse of the U.S. housing market, Herman M. Schwartz makes the case that worldwide, U.S. growth and power over the last twenty years has depended in large part on domestic housing markets. Mortgage-based securities attracted a cascade of overseas capital into the U.S. economy. High levels of private home ownership, particularly in the United States and the United Kingdom, have helped pull in a disproportionately large share of world capital flows. As events since mid-2008 have made clear, mortgage lenders became ever more eager to extend housing loans, for the more mortgage packages they securitized, the higher their profits. As a result, they were dangerously inventive in creating new mortgage products, notably adjustable-rate and subprime mortgages, to attract new, mainly first-time, buyers into the housing market. However, mortgage-based instruments work only when confidence in the mortgage system is maintained. Regulatory failures in the U.S. S&L sector, the accounting crisis that led to the extinction of Arthur Andersen, and the subprime crisis that destroyed Lehman Brothers and Merrill Lynch and damaged many other big financial institutions have jeopardized a significant engine of economic growth. Schwartz concentrates on the impact of U.S. regulatory failure on the international economy. He argues that the "local" problem of the housing crisis carries substantial and ongoing risks for U.S. economic health, the continuing primacy of the U.S. dollar in international financial circles, and U.S. hegemony in the world system.

This book demonstrates how housing systems are built from political struggles over the distribution of welfare and wealth. The contributors analyze varieties of residential capitalism through a range of international case studies, as well as investigating the links between housing finance and the current international financial crisis.

Scary headlines and scarier statistics tell the story of a financial crisis on a scale not seen in decades—certainly not within the lifetime of most Americans. Moreover, this is a worldwide financial crisis. Financial institutions on both sides of the Atlantic have either collapsed or have been saved from collapse by government bailouts, as a result of buying securities based on American housing values that eroded or evaporated. Now completely revised in paperback, The Housing Boom and Bust is designed to unravel the tangled threads of that story. It also attempts to determine whether what is being done to deal with the problem is more likely to make things better or worse.

This is a plain-English explanation of how we got into the current economic disaster that developed out of the economics and politics of the housing boom and bust. The "creative" financing of home mortgages and the even more "creative" marketing of financial securities based on American mortgages to countries around the world, are part of the story of how a financial house of cards was built up -- and then suddenly collapsed. The politics behind all this is another story full of strange twists. No punches are pulled when discussing politicians of either party, the financial dangers they created, or the distractions they created later to escape their own responsibility for what happened when the financial house of cards in the financial markets collapsed. What to do, now that we are in the midst of an economic disaster, is yet another story -- one whose ending we do not yet know, but one whose outlines and implications are explored to reveal some surprising and sobering lessons.

A Global History of Financial Bubbles

Affordable Housing

House of Debt

Housing and the Financial Crisis

Are You Missing the Real Estate Boom?

The central role of the housing market in the recent recession raised a series of questions about similar episodes throughout economic history. Were the underlying causes of housing and mortgage crises the same in earlier episodes? Has the onset and spread of crises changed over time? How have previous policy interventions either damaged or improved long-run market performance and stability? This volume begins to answer these questions, providing a much-needed context for understanding recent events by examining how historical housing and mortgage markets worked—and how they sometimes failed. Renowned economic historians Eugene N. White, Kenneth Snowden, and Price Fishback survey the foundational research on housing crises, comparing that of the 1930s to that of the early 2000s in order to authoritatively identify what contributed to each crisis. Later chapters explore notable historical experiences with mortgage securitization and the role that federal policy played in the surge in home ownership between 1940 and 1960. By providing a broad historical overview of housing and mortgage markets, the volume offers valuable new insights to inform future policy debates.

We build a model of the U.S. economy with multiple aggregate shocks (income, housing finance conditions, and beliefs about future housing demand) that generate fluctuations in equilibrium house prices. Through a series of counterfactual experiments, we study the housing boom and bust around the Great Recession and obtain three main results. First, we find that the main driver of movements in house prices and rents was a shift in beliefs. Shifts in credit conditions do not move house prices but are important for the dynamics of home ownership, leverage, and foreclosures. The role of housing rental markets and long-term mortgages in alleviating credit constraints is central to these findings. Second, our model suggests that the boom-bust in house prices explains half of the corresponding swings in non-durable expenditures and that the transmission mechanism is a wealth effect through household balance sheets. Third, we find that a large-scale debt forgiveness program would have done little to temper the collapse of house prices and expenditures, but would have dramatically reduced foreclosures and induced a small, but persistent, increase in consumption during the recovery.

Shut Out provides a much-needed correction to the causes and consequences of financial crises and secular stagnation.

Over the past decade, a new mortgage market—offering loans at low interest rates and for little or no money down—has given low-income people an opportunity to pursue the American dream of homeownership. The resulting wave in home buying promised to stabilize neighborhoods and families, boost the economy, and reduce crime. In many ways, the optimists were correct, but now, less than fifteen years later, the subprime mortgage market is collapsing, threatening to take the rest of the housing sector along with it.Subprime Mortgages: America's Latest Boom and Bust analyzes how the subprime market emerged, why it is in crisis, and how we can reform public policy to avert disaster. An attendant examination of the rental market also offers recommendations for shoring up what may be the best housing option for some families.

Why the Real Estate Boom Will Not Bust - And How You Can Profit from It

Is the Bust Coming?

Housing and Mortgage Markets in Historical Perspective

The Causes and Cures of the Great Recession

The Housing Boom

The Boom Will Not Bust and Why Property Values Will Continue to Climb Through the End of the Decade - And How to Profit From Them

We study how the recent national housing boom and bust affected college enrollment and attainment during the 2000s. We exploit cross-city variation in local housing booms, and use a variety of data sources and empirical methods, including models that use plausibly exogenous variation in housing demand identified by sharp structural breaks in local housing prices. We show that the housing boom improved labor market opportunities for young men and women, thereby raising their opportunity cost of college-going. According to standard human capital theories, this effect should have reduced college-going overall, but especially for persons at the margin of attendance. We find that the boom substantially lowered college enrollment and attainment for both young men and women, with the effects concentrated at two-year colleges. We find that the positive employment and wage effects of the boom were generally undone during the bust. However, attainment for the particular cohorts of college-going age during the housing boom remain persistently low after the end of the bust, suggesting that reduced educational attainment may be an enduring effect of the housing cycle. We estimate that the housing boom explains roughly 30 percent of the recent slowdown in college attainment.

A fascinating analysis of the critical role commercial property investment played in the economic boom and bust during the global financial crisis The unprecedented financial boom

stretching from the mid-1990s through 2008 ultimately led to the deepest recession in modern times and one of the slowest economic recoveries in history. It also resulted in the emergence of the draconian austerity policies that have swept across Europe in recent years. *Property Boom and Banking Bust* offers an expert insight into the complex property market dynamics that contributed to the Great Financial Crisis of 2008 and its devastating economic consequences. It is the first book to focus on a woefully underreported dimension of the crisis, namely, the significant role that lending on commercial property development played in the crisis. Among other key topics, the authors explore the philosophical and behavioral factors that propelled irresponsible bank lending and the property boom; how it led to the downfall of the banks; the impact of the credit crunch on the real estate industry generally in the wake of the financial crisis; the catastrophic effects the property bust had on property investors, both large and small; and how the financial institutions have sought to recover in the wake of the financial crisis. Provides valuable insights into what happened in previous booms and busts, particularly in the 1970s and 1980s, and how they compare with the most recent one Offers an expert assessment of the consequences of the global financial crisis for the banking system and the commercial property industry Examines strategies banks have used to recover their positions and manage the overhang of indebtedness and bad property assets Addresses strategies the real estate industry have used to recover from the collapse in property values Written in an accessible style, and featuring numerous insider case accounts from property bankers, *Property Boom and Banking Bust* disentangles the complex, tightly-woven factors that led to the Great Financial Crisis of 2008, while offering powerful lessons for property industry professionals on how to avoid having history repeat itself.

Are You Missing the Real Estate Boom? author David Lereah, chief economist for the National Association of Realtors, asks. We are experiencing a historic wealth-building opportunity. To ensure that your don't miss out, Lereah provides the tools, information, and analysis you need to become a savvy real estate investor. And he shows how to integrate real estate into your overall investment strategies and financial planning goals. Among the information you'll find in the book: How to become a master at dealing with real estate agents, brokers, and lenders. Which home improvements will result in the greatest long-term gains. How to identify the vacation homes and regions that will increase the most in value. How to finance a first-time home—with or without a big down payment. Why will the real estate boom continue into the next decade? Low interest rates are part of the story. Although mortgage rates have notched up slightly over the last year, they still remain historically very low. Technological advances from online real estate listings to automated underwriting to an explosion of financing options have reduced home ownership costs and simplified the process of buying and selling. Continued high demand from baby-boomers buying larger homes, second homes, and retirement homes, and a new wave of immigrants and "echo" boomers buying first homes, ensure that the boom will continue into the next decade. The long-term fundamentals for housing remain strong into the foreseeable future, claims Lereah. Far from a real estate "bubble," what we are experiencing today is a phenomenon that takes place only once every other generation: a long-term real estate market expansion. Isn't it time you started taking advantage of it today? Are you missing the real estate boom? Can you increase your wealth from it? For most people—including current homeowners—the answer is a resounding yes. But it's not too late to increase your stake in the greatest real estate boom of our generation. Whether you are a first-time buyer or already own your home, *Are You Missing the Real Estate Boom?* will show you how you can dramatically increase your overall wealth. Author David Lereah, chief economist for the National Association of Realtors, shows why the real estate market is poised to climb higher over the next decade—and explains what you can do to profit from it. Lereah calls today's market a "once-in-every-other generation opportunity." Today's boom is not just driven by low interest rates—there are a host of demographic and economic reasons why real estate will continue to outpace other investments, from the growing needs of the baby-boomer generation and the rise of the "echo" boomer generation to the new ways real estate is marketed and sold. Are you a first-time buyer? A current homeowner considering whether or not to trade up? There has never been a better time to do so, Lereah convincingly claims. In *Are You Missing the Real Estate Boom?*, Lereah explains what to look for when you're buying a home; which improvements add the most value to your current home; what to consider when purchasing rental properties; how to evaluate real estate investment trusts (or REITs); and the pros and cons of second homes. Full of detailed information on how to work with a real estate agent and a mortgage lender, how to analyze local markets and regional fluctuations, and how to best finance your investment, *Are You Missing the Real Estate Boom?* offers readers the seasoned advice they need to invest with confidence and reap outsized rewards.

Remember when mania led to a massive housing bubble? When Americans found themselves saddled with too many houses and were hit with the reality that our economy had been built on unsustainable borrowing? Everyone knows about that, right? What if that was wrong? What if, when we get down to brass tacks, Americans have been struggling to build enough new housing—especially in places where housing is in high demand—and this was true, even in 2005? Viewing the economic calamities of the twenty-first century with this central insight turns the conventional wisdom about our economic challenges upside down. The need for more homes has been the core cause of American economic instability and stagnation. *Building from the Ground Up* will guide you to a sweeping new perspective about the Great Recession and the financial crisis, which points to a brighter path for America's economic potential.

An Ethnic Roller Coaster

Housing Booms and Busts, Labor Market Opportunities, and College Attendance

U.S. Housing Price Boom-Busts in Historical Perspective

Urban Planning and the Housing Market

The Rise and Fall of Financial Assets

Getting Off Track

This book deals at some length with the question: Since there are many more poor than rich, why don't the poor just tax the rich heavily and reduce the inequality? In the 19th century and the first half of the 20th century, the topic of inequality was discussed widely. Ending or reducing inequality was a prime motivating factor in the emergence of communism and socialism. The book discusses why later in the 20th century, inequality has faded out as an issue. Extensive tables and graphs of data are presented showing the extent of inequality in America, as well as globally. It is shown that a combination of low taxes on capital gains contributed to a series of real estate and stock bubbles that provided great wealth to the top tiers, while real income for average workers stagnated. Improved commercial efficiency due to computers, electronics, the Internet and fast transport allowed production and distribution with fewer workers, just as the advent of electrification, mechanization, production lines, vehicles and trains in the 1920s and 1930s produced the same stagnating effect.

This paper describes six stylized patterns among housing markets in the United States that potential explanations of the housing boom and bust should seek to explain. First, individual housing markets in the U.S. experienced considerable heterogeneity in the amplitudes of their cycles.

Second, the areas with the biggest boom-bust cycles in the 2000s also had the largest boom-busts in the 1980s and 1990s, with a few telling exceptions. Third, the timing of the cycles differed across housing markets. Fourth, the largest booms and busts, and their timing, seem to be clustered geographically. Fifth, the cross sectional variance of annual house price changes rises in booms and declines in busts. Finally, these stylized facts are robust to controlling for housing demand fundamentals - namely, rents, incomes, or employment - although changes in

fundamentals are correlated with changes in prices.

Winner of the Bruss Real Estate Book Award His assignment was to write about a real-estate frenzy lighting up the Redneck Riviera. So Ryan Dezember settled in and bought a home nearby himself. Then the market crashed, and he became one of the millions of Americans who suddenly owed more on their homes than they were worth. A flood of foreclosures made it impossible to sell. It didn't help that his quaint neighborhood fell into disrepair and drug-induced despair. He had no choice but to become a reluctant and wildly unprofitable landlord to move on.

Meanwhile, his reporting showed how the speculative mania that caused the crash opened the U.S. housing market to a much larger breed of investors. In this deeply personal story, Dezember shows how decisions on Wall Street and in Washington played out on his street in a corner of the Sunbelt that was convulsed by the foreclosure crisis. Readers will witness the housing market collapse from Dezember's perch as a newspaper reporter. First he's in the boom-to-bust South where a hot-air balloonist named Bob Shallow becomes one of the world's top selling real-estate agents arranging condo flips, developers flop in spectacular fashion and the law catches up with a beach-town mayor on the take. Later he's in New York, among financiers like Blackstone's Stephen Schwarzman who are building rental empires out of foreclosures, staking claim to the bastion of middle-class wealth: the single-family home. Through it all, Dezember is an underwater homeowner caught up in the mess. A cautionary tale of Wall Street's push to turn homes into assets, *Underwater* is a powerful, incisive story that chronicles the crash and its aftermath from a fresh perspective—the forgotten, middle-class homeowner.

Conventional wisdom held that housing prices couldn't fall. But the spectacular boom and bust of the housing market during the first decade of the twenty-first century and millions of foreclosed homeowners have made it clear that housing is no different from any other asset in its ability to climb and crash. *Housing and the Financial Crisis* looks at what happened to prices and construction both during and after the housing boom in different parts of the American housing market, accounting for why certain areas experienced less volatility than others. It then examines the causes of the boom and bust, including the availability of credit, the perceived risk reduction due to the securitization of mortgages, and the increase in lending from foreign sources. Finally, it examines a range of policies that might address some of the sources of recent instability.

Revised Edition

Boom Bust

How Our American Dream of Homeownership Became a Nightmare

Financial Cycles and Human Prosperity

Shut Out

Disparate Impacts of the Housing Boom and Bust

There is present concern that housing prices in the U.S. are undergoing an unsustainable boom, which some refer to as a bubble, that will end in a bust with dire consequences for the real economy. This paper considers whether this dire scenario is likely to happen. My reading of the literature on the housing boom and study of U.S. economic history makes me skeptical. The U.S. has had a long history of housing booms which were regional or local. It never experienced a national boom-bust and this episode will likely repeat the experience of the past.

How They (and You) Caused the Great Recession, and How We Can Prevent It from Happening Again

International Perspectives for Policy and Practice

Subprime Nation

America's Latest Boom and Bust

Why the Housing Boom and Bust Were Made in the USA

Summary: The Housing Boom and Bust