INTRODUCTION

Cross-country data collection is complex, in particular in an area where little standardized data is available. Housing market and housing finance data/indicators are not yet collected by international agencies and no standardized definitions exist across countries. We developed a comprehensive set of variables to describe the housing finance sector and tested these with nine pilot countries in an effort to be inclusive. Where necessary we defined the variables in order to get standardized information. Nevertheless exceptions will occur and editors should briefly state those or other explanations in the note section.

In order to make filling out the questionnaire as easy as possible we used the following tools:

i) We put the definitions or suggestions for collecting the information in a comment note section in the excel spreadsheet. Definitions of variables will also show on the web data display in a pop-up (variable names with a definition have a green color).

ii) There is a column for your comments when variable inputs need an explanation. These comments show up in the data display on the web as a pop-up when you click on the actual numbers or answers to the question. The numbers that have a comment attached are also colored green in bold.

iii) In order to make the demographic and economic data comparable across countries, we fill out the first section of the questionnaire. We used standardized facts from the most recent World Bank’s Development Indicators (WDI), International Financial Statistics (IFS) and World Economic Outlook (WEO) database of the International Monetary Fund (IMF), rounded to the nearest million, decimal or USD. Unless the in-country data is significantly different from these figures we suggest you use those figures for this data collection.
I. MACRO-ECONOMIC DATA

1.A.1.1 Population, Total: World Bank’s World Development Indicators (WDI); rounded to the nearest million. In general, there is a lag of at least one year for this value in the WDI, but preliminary estimates are often available earlier. Variable code for data source: WDI - SP.POP.TOTL

1.A.1.4 Urban population (% of total): Urban population refers to people living in urban areas as defined by national statistical offices. It is calculated using World Bank population estimates and urban ratios from the United Nations World Urbanization Prospects. World Bank’s World Development Indicators (WDI); rounded to the nearest tenth of one percent. In general, there is a lag of at least one year on this value in the WDI, but preliminary estimates are often available earlier. Variable code for data source: WDI - SP.URB.TOTL.IND.ZS

1.A.1.5 Annual urban growth rate: Variable code for data source: WDI - SP.URB.GROW

1.A.2.1 GDP in USD (current prices): Variable code for data source: WEO - NGDPD

1.A.2.2 GDP in PPP terms (current international dollar): Variable code for data source: WEO - PPPGDP

1.A.2.3 GDP per capita in USD (current prices): Variable code for data source: WEO - NGDPDPC

1.A.2.4 GDP per capita in PPP terms (current international dollar): Variable code for data source: WEO - PPPPC

1.A.2.5 Real GDP growth rate (constant prices): Constant prices based on national currency, rounded to the nearest hundredth of one percent. Variable code for data source: WEO - NGDP_RPCH

1.A.2.6 Inflation, end of period (annual percent change): Variable code for data source: WEO - PCPIEPCH

1.A.2.7 GDP deflator: Derive the GDP deflator by dividing current price GDP by constant price GDP, rounded to the nearest one hundredth of a unit. Provide the base year in the Notes column. The following IMF note accompanies this data series: “The GDP deflator is derived by dividing current price GDP by constant price GDP and is considered to be an alternate measure of inflation. Please note: Data are expressed in the base year of each country’s national accounts.” Variable code for data source: WEO - NGDP_D

1.A.2.8 Consumer price index: Year 2005 = 100, rounded to the nearest one hundredth of a unit. Variable code for data source: WDI - FP.CPI.TOTL

1.A.2.9 GINI Index: Rounded to the nearest one tenth of one unit. The WDI GINI indices are based either on expenditures or on income data. Variable code for data source: WDI - SL.POVS

1.A.2.10 Median national annual household income: Specify whether pre- or after tax income is used. In some highly urbanized countries only national median income is provided by the Office of Statistics. Fill in either or both. The same for the minimum wage.
1.A.2.11 Median urban annual household income: Specify whether pre- or after tax income is used. Offices of Statistics often only provide individual income data in census publications, but will provide household data on request. Data for CPI calculations provide household expenditures (useful as rough proxy for income). Other sources for household data are special surveys.

1.A.2.12 Urban minimum wages per month in USD: As defined by Law or Decree.

1.A.2.13.1 Growth in urban household income (%/ year) – Nominal: Refer to Central Bank, Office of Statistics or Labor Ministry Websites. In the Notes column, specify which type of income/wage figure is used as the base.

1.A.2.13.2 Growth in urban household income (%/ year) – Real: Refer to Central Bank, Office of Statistics or Labor Ministry Websites. In the Notes column, specify which type of income/wage figure is used as the base.


ILO(International Labour Organization, LABORSTA) Note: Jobs where the remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods or services produced (where own consumption is considered to be part of the profits). The incumbents make the operational decisions affecting the enterprises, or delegate such decision while retaining responsibility.

1.A.2.14.2 Employment (% of total labor force) – Informally employed: Refer to Central Bank or Office of Statistics Website.

ILO(International Labour Organization, LABORSTA) Note: all jobs in informal sector enterprises, or all persons who, during a given reference period, were employed in at least one informal sector enterprise, irrespective of their status in employment and whether it was their main or a secondary job.

1.A.2.14.3 Employment (% of total labor force) – Unemployed: Refer to Central Bank or Office of Statistics Website.

The unemployment rate is different from the other (end-of-previous-year) items in the Questionnaire because it is a multiyear average. Where available, average rates over the previous five years are used in order to get a sense of “equilibrium unemployment.”

The unemployment rates used for this item are based on national definitions and data sets. To increase comparability, only unemployment numbers that are based on Labor Force Surveys were used since other data sources (such as Insurance or Employment Office records) seem to be less widespread. As a result, no unemployment numbers appear for China, India, Mongolia, and Nigeria. Also, revisions in the data collection methodologies are documented in Germany and Denmark during the reference period (2004-2008), so that their within-country rates are not directly comparable across years.
ILO (International Labour Organization, LABORSTA) Note: The "unemployed" comprise all persons above a specified age who during the reference period were "without work", "currently available for work", and "seeking work", i.e. had taken specific steps in a specified recent period to seek paid employment or self-employment.

**1.A.2.15.1 Interest Rates – Central bank lending/discount rate**: Data for the five interest rates in here (1.A.2.15.1 - 1.A.2.15.5) are drawn from the International Financial Statistics (IFS) database of the International Monetary Fund (IMF) website. Country reports and notes are used for these values. In general, the interest rates in the IFS Country Reports are based on national definitions and are therefore difficult to compare. In the Notes column of the HOFINET Questionnaire, country-specific quotes from the IFS documentation appear.

IFS note: the rate at which the central banks lend or discount eligible paper for deposit money banks, typically shown on an end-of-period basis. Variable code for data source: IFS - Interest Rates, Discount Rate

**1.A.2.15.2 Interest Rates – Yield on 3 months treasury bills**: IFS Note: Treasury Bill Rate is the rate at which short-term securities are issued or traded in the market. Variable code for data source: IFS - Interest Rates, Government Securities, Treasury Bills

**1.A.2.15.3 Interest Rates – Yield on 10-year Government bond**: IFS Note: Government Bond Yield refers to one or more series representing yields to maturity of government bonds or other bonds that would indicate longer term rates. Variable code for data source: IFS - Interest Rates, Government Securities, Government Bonds

**1.A.2.15.4 Interest Rates – Average bank deposit rate**: IFS Note: Deposit Rate refers to rates offered to resident customers for demand, time, or savings deposits. Often, rates for time and savings deposits are classified according to maturity and amounts deposited. In addition, deposit money banks and similar deposit taking institutions may offer short- and medium-term instruments at specified rates for specific amounts and maturities; these are frequently termed “certificates of deposit.” Variable code for data source: IFS - Interest Rates, Deposit Rate

**1.A.2.15.5 Interest Rates – Lending rate**: IFS Note: "Weighted average of the rates charged by banks on loans with fixed interest rates and with own funds to individuals and corp. The rate is weighted by loan amounts." Variable code for data source: IFS - Interest Rates, Lending Rate

**1.B.1.1 Number of dwelling units**: A dwelling unit is a living space with a separate entry.

**1.B.1.2 Percentage of vacant units**: The percentage of all units that is unoccupied or not rented. Data may be available for urban areas only.

**1.B.1.3.2 Characteristics of housing stock – % of substandard dwelling units**: Substandard housing is residential property that is not up to the local building or housing code.
1.B.1.4.4 Characteristics of housing stock – Public / social rental units: Public housing is owned and operated by State or local government. Social rental housing is supported but not owned by government, with the agreement that criteria are fulfilled on rent levels.

1.B.1.4.6 Characteristics of housing stock – % of urban units with state recognized lienable title: Registered property ownership rights and identification of conflicting interests that allow a lien to be issued against the property.

1.B.1.7 How complete is this measure for formal sector transactions? Complete / Fairly complete / Incomplete

1.B.2.1.1 Median urban house price in USD - New housing: Give exchange rate in notes

1.B.2.1.2 Median urban house price in USD - Existing housing: Give exchange rate in notes

1.B.2.2.1 Median house price to median annual household income – Urban: Use median urban income under 1.A.2.11. In the Notes column, specify type of urban median house price or index used. If only available for capital city, then fill in the data in the next question (1.B.2.2.2) using both income and price info for capital city. If figures are available for all urban areas, as well as for capital cities, then please provide both.

1.B.2.2.2 Median house price to median annual household income – Capital city: Use median capital city income. In the Notes column, specify type of median house price or index used. Use both income and price info for capital city.

1.B.2.3.1 Annual average % change in median house prices - yearly rate: Mention which base or index is used and which types of housing - new and/or existing- and housing markets are included in the measure.

1.B.2.3.2 Annual average % change in median house prices - 1997-2007 average rate: Mention which base or index is used and which types of housing - new and/or existing- and housing markets are included in the measure.

1.B.2.4.1 M2 construction cost for median quality house – National: If figures are available for national, urban areas in general and for the capital city, please provide all.

1.B.2.4.2 M2 construction cost for median quality house – Urban: If figures are available for national, urban areas in general and for the capital city, please provide all.

1.B.2.4.3 M2 construction cost for median quality house – Capital city: If figures are available for national, urban areas in general and for the capital city, please provide all.
II. THE HOUSING FINANCE SYSTEM

2.A.1.1 Number of firms originating and funding mortgage loans: Give the number of all firms not just the major ones. This excludes intermediaries that do not fund the mortgage.

2.A.1.2.1 Types of originating lenders /market share - Universal/ commercial banks: Give a rough estimate of market share if precise data is not available. Mention in notes.

2.A.1.2.2 Types of originating lenders /market share - Other depository institutions (savings and loans/mutual savings and credit institutions): Give a rough estimate of market share if precise data is not available. Mention in notes.

2.A.1.2.3 Types of originating lenders /market share - Non-depository financial institutions specialized in housing finance: Give a rough estimate of market share if precise data is not available. Mention in notes.

2.A.1.2.4 Types of originating lenders /market share - General non-depository financial institutions: Give a rough estimate of market share if precise data is not available. Mention in notes.

2.A.1.2.5 Types of originating lenders /market share - Others (e.g. insurance co, pension funds, labor tax funds): Give a rough estimate of market share if precise data is not available. Mention in notes.

2.A.1.5 Typical lending spreads for mortgages: The difference between the average deposit rate and the earnings rate.

2.A.1.6 Level of Non-Performing Mortgage Loans (90 days or more past due): Weighted average across market segments.

2.A.1.8 Lowest decile of the income distribution served by the dominant mortgage lenders: The highest income decile in the income distribution is the 9th and above and the lowest is the 1st decile and below. In the Notes column, specify whether urban or national income distribution figures are used. Also, specify whether this lowest income level is for specific groups only, e.g., formally employed.

2.A.2.1.1 Total amount of home mortgage loans outstanding at the end of year in millions of USD – as % of GDP (current): In order to reduce exchange rate discrepancies, use mortgage and GDP data derived in National Currency. Include mortgage loans made by banks and non-bank financial institutions; government and non-government institutions. Include residential mortgages only, for home purchase, refinance, and home-improvement.

2.A.2.1.2 Total amount of home mortgage loans outstanding at the end of year in millions of USD - and as % of all credits outstanding: Comparison of mortgage credit and total credit outstanding to the domestic nonfinancial sector. Total credits can usually be found in the country’s Central Bank records or the BIS records. The BIS maintains a database with credit series for many countries which can be downloaded from their website.

2.A.2.5 What % of total new mortgages is refinance? Refinancing: Paying off an old loan while
simultaneously taking a new loan.

2.A.3.1.1 Mortgage products as % of all mortgages (approx.) in local currency - Fixed rate for life of loan: Fully amortizing, i.e., principle and interest paid back over the period used to calculate the pmts. If information is not collected by bank supervisor, make educated guess, indicate this, and describe in the Notes column.

2.A.3.1.2 Mortgage products as % of all mortgages (approx.) in local currency - Variable rate/indexed: Fully amortizing; see comment for the "Fixed rate for life of loan" item above. If information is not collected by bank supervisor, make educated guess, indicate this, and describe in the Notes column.

2.A.3.1.3 Mortgage products as % of all mortgages (approx.) in local currency - Variable rate/discretionary: Rate that is changed at the discretion of the lender. Fully amortizing; see comment for the "Fixed rate for life of loan" item above". If information is not collected by bank supervisor, make educated guess, indicate this, and describe in the Notes column.

2.A.3.1.4 Mortgage products as % of all mortgages (approx.) in local currency - Other fully amortizing loans (e.g. Rollover): When lender agrees to "roll-over" the loan after each fixed period until it is fully amortized. If information is not collected by bank supervisor, make educated guess, indicate this, and describe in the Notes column.

2.A.3.1.5 Mortgage products as % of all mortgages (approx.) in local currency - Non-fully amortizing loans (e.g. Price level adjusted/Interest only): When principle and/or interest are not paid back over the period used to calculate the payments. If information is not collected by bank supervisor, make educated guess, indicate this, and describe in the Notes column.

2.A.3.2 Loans based on foreign currency as % of all mortgage products: Specify dominant foreign currency used for mortgage loans in notes.

2.A.3.4 Most frequent interest rates on fully amortizing: Most frequently quoted rate.

2.A.3.6 Typical lender fees associated with mortgage origination: For example, Brokerage commission, Legal fees, Mortgage origination fees.

2.A.3.7.1 Typical third party fees associated with mortgage origination - Appraisal fees: If any of these fees are nominated as % of loan, use average and mention in Notes.

2.A.3.7.2 Typical third party fees associated with mortgage origination - Title related fees: If any of these fees are nominated as % of loan, use average and mention in Notes.

2.A.3.7.3 Typical third party fees associated with mortgage origination - Legal fees: If any of these fees are nominated as % of loan, use average and mention in Notes.

2.A.3.7.4 Typical third party fees associated with mortgage origination - Search fees: If any of these fees are nominated as % of loan, use average and mention in Notes.

2.A.3.8 Loan-to-Value (LTV) on first mortgage: LTV=Total amount of the mortgage loan divided by the appraised value of the property.
2.A.3.10 Mortgage pmt-to-income ratio: PMT includes interest, principle, home insurance, property tax, etc. Income is gross/pretax income. If available, provide the ratios both for household and for individual income.

2.A.4.2.1: Which institutions define underwriting rules - Central Bank: Indicate all agents and explain in Notes which rules are binding and which are simple guidelines.

2.A.4.2.2: Which institutions define underwriting rules - Secondary market facility: Indicate all agents and explain in Notes which rules are binding and which are simple guidelines.

2.A.4.2.3: Which institutions define underwriting rules - Major lender: Indicate all agents and explain in Notes which rules are binding and which are simple guidelines.

2.A.4.2.4: Which institutions define underwriting rules – Other: Indicate all agents and explain in Notes which rules are binding and which are simple guidelines.

2.A.4.5 Do third party servicing institutions exist? Institutions that specialize in servicing loans made by other lenders for a fee.

2.A.5.1 What percentage of mortgage originations use credit scoring? Credit scoring is the process of evaluating and rating a loan applicant according to the quality of his or her creditworthiness. Factors considered include past use of credit, current indebtedness and frequency of application for credit.

2.A.5.3 Is mortgage default insurance available? Mortgage insurance (MI) is a specialized form of credit insurance that protects home mortgage lenders against loss by reason of borrower default. It is typically provided by insurance companies.

2.A.5.3.2 Is mortgage default insurance available? - What is the typical MI product? Describe type of coverage, premium structure and the typical loans that may require insurance.

2.A.5.4 Are credit guarantee systems used? A guarantee is a promise to pay in case of default by a third party. Please describe the type of guarantee in the notes section.

2.B.3 Who are the investors in RMBS? List main types of institution.

2.B.4 What is the proportion of RMBS in the overall private securities market? Data available from the Securities and Exchange Commission or equivalent agency.

2.C.1 Are non-collateralized housing micro-finance loans offered? Describe products in the Notes.

2.C.2 Types of lenders operating in the housing micro-finance (HMF) sector: Housing microfinance refers to non-collateralized short to medium term lending for house improvement or acquisition.

2.C.3 Typical lending spreads in HMF: The difference between the average deposit rate and the earnings rate.

2.C.5 Are non-collateralized but secured housing finance products offered (e.g. secured by pension or insurance savings): List products in the Notes column.

2.C.6 Lowest income decile served with all non-collateralized housing lending products: The highest
income decile in the income distribution is the 9th and above and the lowest is the 1st decile and below. In the Notes column, specify whether urban or national income distribution figures are used.

III. HOUSING FINANCE POLICY

3.A.1.3.1 Are there specific laws that deal with mortgages? Provide PDF of Law or weblink.

3.A.1.3.2 Registration/Transfer of titles - Are property rights easily transferable? Answer Yes/No and describe barriers briefly in the next item (3.A.1.3.3).

3.A.1.3.4 Registration/Transfer of titles - Typical number of days needed for the transfer of title:
Variable code for data source: WDI - IC.PRP.DURS

3.A.1.4.3 Can liens be effectively enforced? - Main causes of inefficiencies (legal, judiciary, administrative, cultural, etc.): Describe briefly.

3.A.1.5 Are there legal constraints on the types of mortgage products that are permitted? Describe in the Notes column where necessary.

3.A.1.6.1 Are there legal constraints on mortgage features? - Interest rate caps: Limits to the permitted increase in interest rates for ARMs.

3.A.1.6.2 Loan-to-Value cap: Maximum loan-to-value ratio allowed.

3.A.1.7 Are there consumer rights for mortgage lending? Provide PDF of regulations or web link.

3.A.1.8 Are there disclosure requirements for mortgage lending? Provide PDF or web link to legislation or regulations.

3.A.1.9.1 Is there specialized legislation covering - Issuance of covered mortgage bonds: Provide PDF of regulations or web link.

3.A.1.9.2 Is there specialized legislation covering - Issuance of RMBS: Provide PDF of regulations or web link.

3.B.1.1 Are there subsidized funding sources for mortgage lenders? Provide special regulations in PDF or weblink where applicable.

3.B.1.2 Is the lending side of the housing finance system subsidized? Provide special regulations in PDF or weblink where applicable.

3.B.1.2.3 Is the lending side of the housing finance system subsidized? – Other: Describe in notes.
3.B.2.1 Are there subsidies to households on housing finance? Provide special regulations in PDF or weblink where applicable.

3.B.2.2.1 Reach of subsidies in 2.1.1 to 2.1.4 - What is the highest income decile targeted? The highest income decile in the income distribution is the 90th and above and the lowest is the 10th decile and below. In the Notes column, specify whether urban or national income distribution figures are used.

3.B.2.3 What proportion of loans on main residences is affected by the mortgage interest deductibility in 2.1.5? All home mortgages - purchase and home-improvement - on the primary residence. Mention in comments if loans on second homes are also affected.

3.C.1.4 What taxes apply to Residential Real Estate? - Tax on mortgage interest pmts: Specify in notes if tax applies to certain properties only.

3.C.1.5 What taxes apply to Residential Real Estate? - Tax on capital gains on property: If only rented or second properties are taxed, specify in notes.

3.C.2 Are there tax benefits on rental properties? Answer Yes/No and briefly describe in the next item (3.C.2.1).