

Find a Job, Move, Crash the Real Estate Market

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Faculty Member: [Matthew Spiegel](#)

Proposal Description:

How does labor mobility impacts the volatility of real estate prices? Suppose the economy contracts and 500 leave. How far would real estate prices have to fall to attract 500 people to move into the area or for 500 residences to be abandoned? Likely, quite a lot. How about if the economy expands and 500 move in? Prices will not move much. Builders will simply put up 500 new homes. Housing supply is sticky downward. Why care? A lot of the current policy debate is about what program or lending patterns are responsible for various real estate price drops. This would basically say, none. It mostly reflects people moving from one area to another as local economies change.

We can gather and use data the IRS makes available about moving patterns. They track where people started and where they went. If 300 people leave A for X and 200 arrived in A from Y then the data will indicate that. We also need local economic data and other income data the IRS makes available, In what industries are people the most mobile? In areas where those industries are concentrated are real estate prices the most volatile?

Requisite Skills and Qualifications:

The existing code is in R and Python. Successful applicants will have experience writing code 100 or more lines long. If you apply and are hired, expect to spend 10 hours per week doing RA work in my office.

Award: Gauri Jaswal

Tobin Application Link: [Tobin Application](#)

Project Type: Tobin RA

Project Year: 2019

Term: Fall 2019

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