

Housing Markets and Finance

Rachel Garshick Kleit

Associate Professor, Evans School of Public Affairs

Adjunct Associate Professor, Urban Design and Planning

Discussion Questions

- ❑ What is the secondary mortgage market and why is most mortgage lending conducted there now? What is the difference between this era and previous trends?
- ❑ Why are low-income housing subsidies regularly targeted for reduction, when our government spends over \$100 million every year in tax breaks to homeowners (half of who earn 6 figures)?
- ❑ Do demand-side policies inflate rents?
- ❑ How does the housing market produce housing?
- ❑ Which work better, supply-side or demand-side policies for providing affordable housing?
- ❑ What is a housing quality submarket, and how does it function?

Urban Housing Submarkets

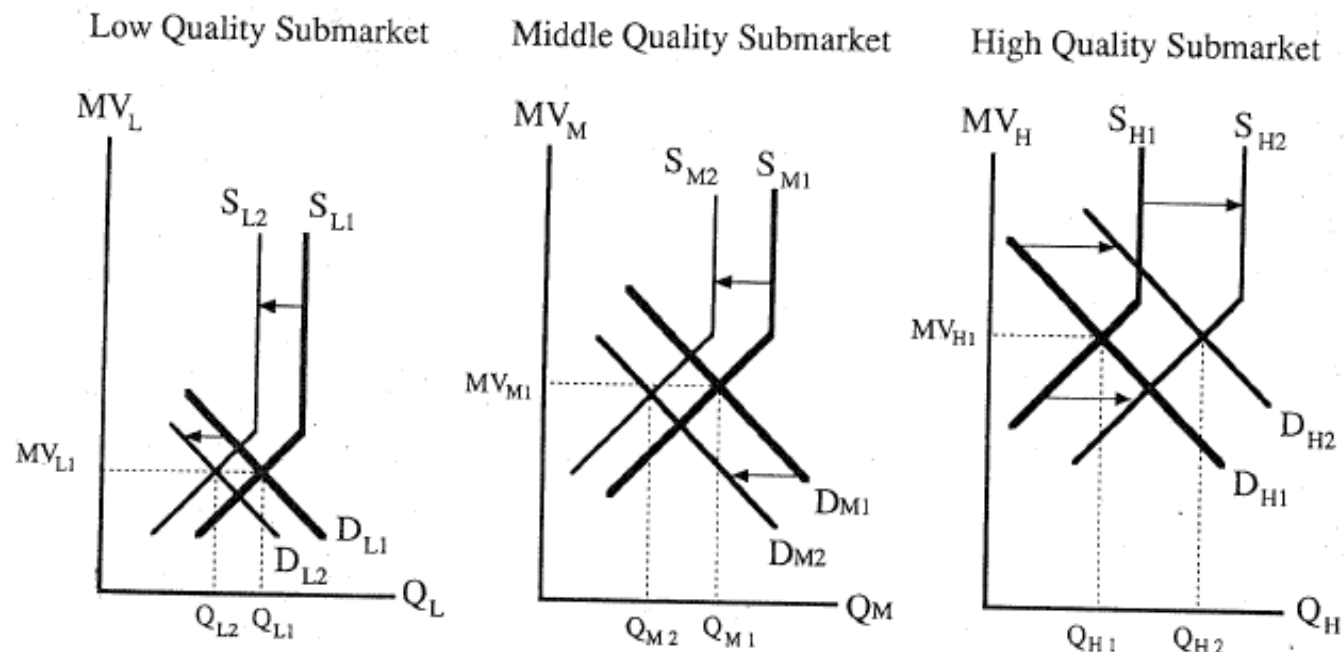


Figure 8.4. Upgrading submarket dynamics—increasing-demand scenario.

- HOLC (1933)
- FHA (1834)
- FNMA (Fannie Mae)
(1938; 1968)
- FIRREA (1989)
- Dual Mortgage Market
- GNMA (Ginne Mae)
(1968)
- HMDA (1975)
- CRA (1977)