

TABLE 2—THE EFFECT OF HOUSE PRICES ON HOUSEHOLD BORROWING FOR 1997 HOMEOWNERS

Left-hand-side variable	HP growth 2002–2006	Total debt growth 2002–2006				Change in total debt-to-income ratio 2002–2006			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Housing supply elasticity	–0.172*** (0.038)								
Instrumented HP growth, 2002–2006		0.519*** (0.108)	0.651*** (0.126)	0.587*** (0.118)	0.498*** (0.083)	1.473*** (0.292)	1.511*** (0.306)	1.323*** (0.270)	1.195*** (0.209)
(Credit score, 1997)/100			–0.020* (0.010)				–0.115*** (0.028)		
Ln(household income, 2008)			0.141*** (0.019)				0.223*** (0.036)		
Debt-to-income ratio, 1997			–0.035*** (0.006)				0.065*** (0.015)		
Age, 1997			–0.013*** (0.001)				–0.030*** (0.003)		
Male dummy variable			0.031 (0.025)	0.028 (0.023)	0.018 (0.024)		0.131** (0.056)	0.125** (0.051)	0.098* (0.053)
Additional control variables				Individual dummy variables	Individual dummy, census, income variables			Individual dummy variables	Individual dummy, census, income variables
Observations	13,337	13,337	13,028	13,028	12,605	13,336	13,027	13,027	12,605
R^2	0.24	0.01	0.01	0.04	0.05	0.01	0.05	0.09	0.12

Notes: This table presents estimates of the effect of house prices on household borrowing for individuals who have