House Price Dynamics; The Role of Credit, Demographics and Depreciation
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This dissertation outlines multiple important issues related to house price dynamics and its determinants.

In Chapter 2 it is shown that the determinants of house prices change over time. This study utilized a unique long-run historical macro database from the year 1825 onwards for Amsterdam. The results indicate that the determinants of house prices are not fixed, but change over time and reflect the economic state of affairs in each different era.

Chapter 3 deals with the effect of mortgage markets on house prices in more detail for the Netherlands between 1995 and 2012. This study deals with two related topics. Chapter 3 introduces a new methodology to construct an index for the supply of credit on the mortgage market, denoted the credit conditions index. It is shown that the supply of credit on the mortgage market has been an important determinant of house prices.

In Chapter 4 it is shown that demographic decline has a disproportional large negative effect on house prices, using municipality level data. The effect of demographic growth on house prices depends on the local supply constraints.

Chapter 5 introduces a methodology to decompose house prices in its structure value and land value. With this model we are able to measure the effect of depreciation on structure values. The effect of depreciation on structures is larger than most previous studies indicate. Maintaining a home well reduces the rate of depreciation considerably. It is also shown that land prices have been more volatile than structure prices.