

## Creation of an official Real Estate Price Index in Switzerland



David Fischbach, Corinne Becker Vermeulen  
UNECE Group of experts on CPI, Geneva, May 3, 2016

## Summary

8. Future work
7. Data, sources and surveys
6. Quality adjustments
5. Planned statistics
4. Users of the statistics
3. Framework conditions
2. The wish to create an official statistics
1. The Swiss real estate market



Creation of an official real estate price index in Switzerland: Objectives and challenges | David Fischbach, Corinne Becker Vermeulen  
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# 1. The Swiss real estate market

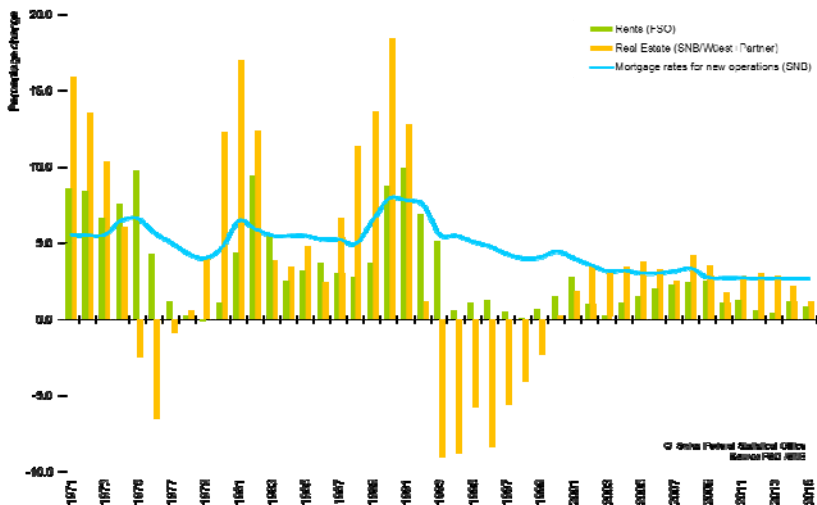
2,5 mio dwellings



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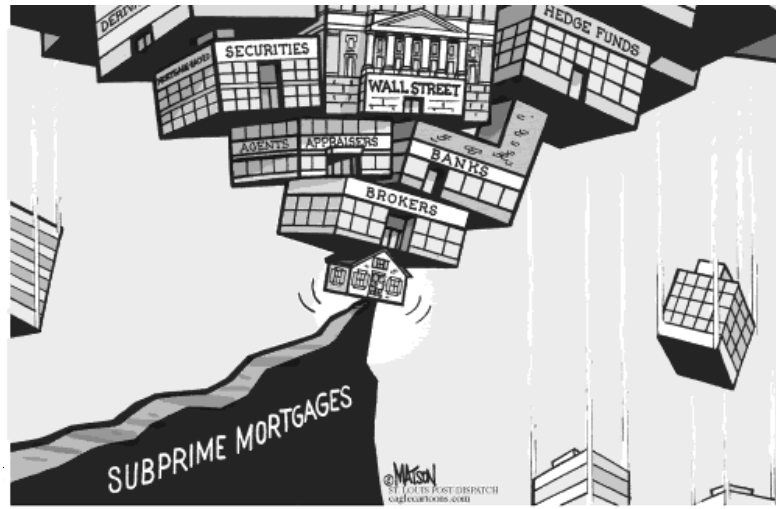
Swiss Statistics

# Mortgage rates, real estate prices and rents



Swiss Statistics

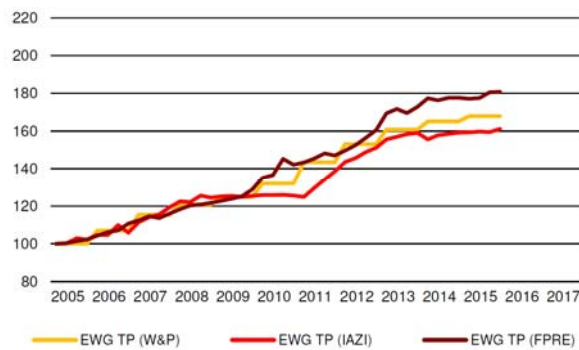
## 2. Need for information



"I THOUGHT WE WERE JUST BUYING A HOUSE!"

Swiss Statistics

## Private RPPI Producers



Trends in Private Real Estate Price Indices (EWG TP: Single-family houses, transaction prices) Wuest and Partner (W&P), IAZI/CIFI, Fahländer Partner Raumentwicklung (FPRE)

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Swiss Statistics

## 2011 Motion Landolt «Statistical survey of real estate prices»



2012 Feasibility study,  
Federal Council Mandate

2015 Project launch, Study

2016 Detailed conceptual phase

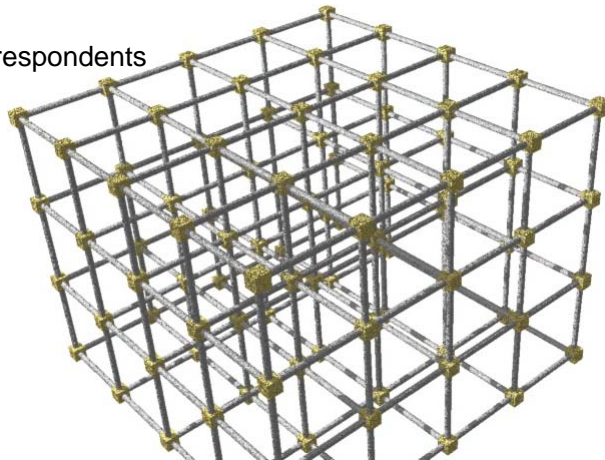
2017 Realisation

2018 Introduction

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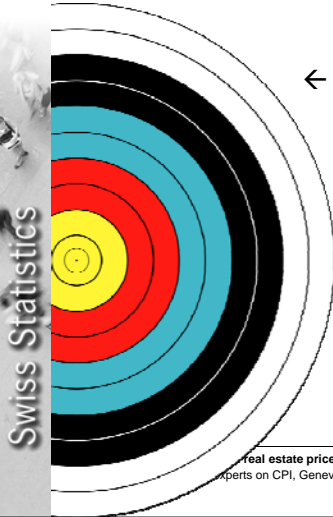
## 3. Framework conditions

- Workload for respondents
- Budget FSO
- Quality



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## 4. Users and uses



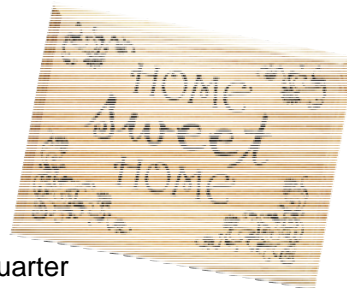
- Public sector**
- ← Economic indicator
  - ← Monitoring financial market stability
  - ← Monetary policy and inflation driving
  - ← Decision-making basis
  - ← Basis for research and analysis
  - ← Indexing and plausibilisation of valuations
  - ← Benchmarking
  - ← Use in official statistics

**Private sector**

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## 5. The Plan

- Focus on housing
- Owner-occupied houses
- Apartments, single family houses
- Quarterly, published in following quarter
- No time series backwards
- Regionalised indices (NUTS 2)
- Geometric Laspeyres-type Index calculation
- Stratification (building type, size, age)



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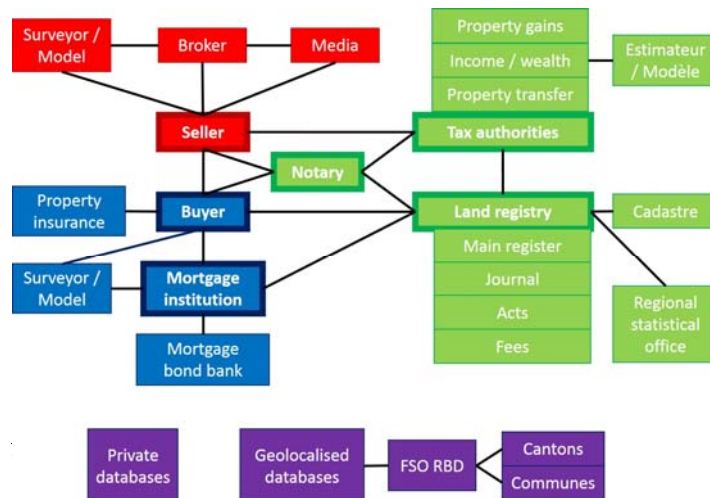
## 6. Quality adjustment

Hedonic repricing  
Structure, Location

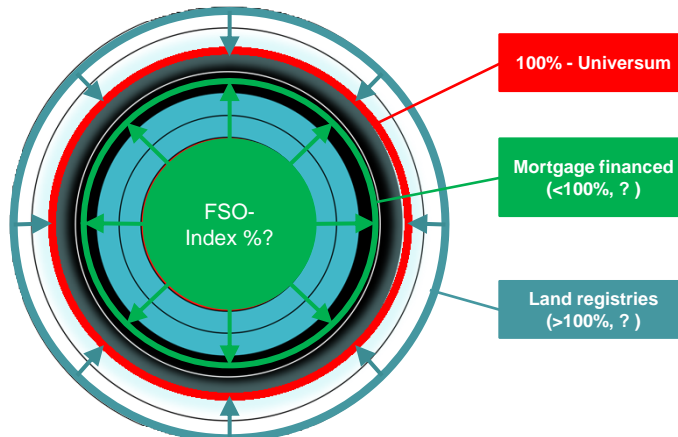


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## 7. Data



## Transactions population



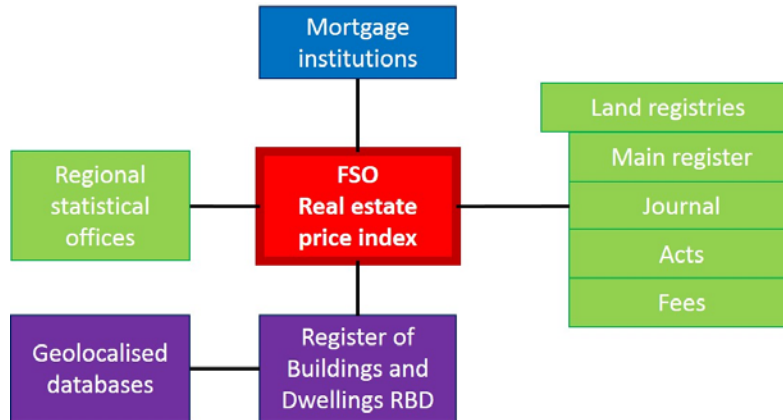
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## Which price?



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## Sources



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## Survey

- Mantra: reduce to a minimum the workload for data suppliers and the FSO
- Look for all possible registry data
- Data matching with geolocalised databases through the Registry of buildings and dwellings
- E-Survey, if possible automatic, thanks to plug-ins in the IT-Systems of data suppliers



## 8. Actual work (Project)

### 1) Detailed concept (until Fall 2016)

- Legal framework
- Methodology
- Survey
- Marketing

### 2) Realisation (Fall 2016 – Spring 2017)

### 3) Introduction (Spring 2017 – Fall 2017)

### 4) Production (from Fall 2017), Publication (from Spring 2018)

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## Future work (after introduction)

- Customized products
  - Data suppliers analysis
  - Alternative weights
- Extension to other objects: blocks, multi-family houses, offices, shops, industry
- Use: Holidays-dwellings («20%-Law»)
- Land prices
- Other statistics: Average prices, number and volume of transactions
- Time series (backwards)

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**Thank you for your attention!**

