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Improving Measures of National and Regional Housing Services in the U.S. Accounts

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Housing services for the national and regional accounts of the United States are currently estimated at the national level using multiple uncoordinated aggregate data sources. The national-level estimates are then allocated to U.S. states using the best available allocation factors. In addition, the current approach to estimating owner-occupied housing services – which account for about 70 percent of total U.S. housing services – relies on an outdated benchmark and a less traditional extrapolation methodology (Katz 2017, Mayerhauser and McBride 2007).

BEA is currently conducting research introduced in Aten et al. (2012) and Aten (2017, 2018) to utilize microdata on U.S. housing units from the American Community Survey (ACS), which replaced the long-form decennial Census questions on housing. The ACS data provide a single official statistical source that allows estimates to be made for individual housing units and then aggregated directly to national and state levels for all U.S. housing services series without the need for allocations to states. The ACS data also facilitate a more traditional and transparent stratified rental equivalence methodology for the owner-occupied series. In addition to improving the accuracy and reliability of all BEA housing services measures, future changes have the potential to provide a more streamlined integrated approach to estimating housing services across BEA’s national and regional accounts.

This paper will provide a summary of data sources and methodologies for housing services under BEA’s current approach and the proposed approach. In addition, the paper will provide a comparison of current and proposed estimates for national- and regional-level U.S. housing series.

References

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