

## Second-hand housing price indices

### Index base 100 in Q1 2010

The Notaires-INSEE second-hand housing price indices are constant quality indices. Any change is therefore independent of the type and quality of the dwellings that change hands from one quarter to another. This means that they take into account any variation in price in a reference housing stock fixed for two years.

The methodology has been validated by the Scientific Board of the Notaires-INSEE Indices (Conseil Scientifique des Indices Notaires-Insee - CSIN). It is based on models that break down housing prices according to the contributions of their different characteristics. To do this, the territory is divided into elementary zones (about 300) for each type of dwelling (apartment and house), within which changes in housing prices can be considered as homogeneous. Within each of these zones, coefficients measuring the impact of each physical characteristic are estimated using econometric models. Based on the transactions observed, these models are then used to estimate the prices of dwellings in a reference stock whose characteristics are fixed over time. Changes in the prices of these reference dwellings are then used to calculate elementary price indices. Aggregated indices are calculated based on changes in the elementary price indices, taking into account the weight of each elementary index in the reference stock. The reference stock is updated every two years. Thus the reference stock considered for calculating the 2012 and 2013 indices corresponds to transactions that took place during the period 2009 to 2010.

The Notaires-INSEE second-hand housing price indices are completely updated every five years, approximately. The purpose of this update is to bring the coefficients used to calculate the indices up to date, and at the same time it provides an opportunity to introduce improvements in the methodology.

### Scope

The geographical scope is Metropolitan France.

The indices cover second-hand dwellings in the fiscal sense, i.e. more than 5 years old or having undergone a transfer. To avoid including atypical transactions, non-standard housing such as rooms, lofts, workshops or chateaux and acquisitions carried out by property professionals are not included in the calculations. In addition, the index covers only dwellings which are:

- unoccupied at the time of sale (or occupied by the vendor);
- acquired in freehold by a mutual agreement sale;
- intended for residential use.

## Sources

Second-hand housing price indices for Île-de-France are calculated by the company Paris Notaires Services (PNS) and INSEE from property transaction data in the Notarial Economic Database (Base d'Informations Économiques Notariales - BIEN) which belongs to and is managed by PNS. Data are provided by notaries in Île-de-France.

Second-hand housing price indices for provincial France are calculated by the company Min.not and INSEE from property transaction data in the PERVAL database, which belongs to and is managed by Min.not. Data are provided by notaries in provincial France.

Second-hand price indices for the whole of Metropolitan France are calculated by Min.not and INSEE from property transaction data in the databases managed by Min.not and PNS.

Two agreements have been signed, one between INSEE and PNS, and one between INSEE, the Higher Notary Council (Conseil Supérieur du Notariat) and Min.not, to define the methodology for calculating indices using notarial data and the methods for publishing the indices.

## Définition

The Notaires-INSEE second-hand housing price indices provide a means of measuring changes in the prices of second-hand dwellings at constant quality. The price used is the net selling price, excluding property transfer duties, notary fees and agency commission.

## Publication

The provisional indices for quarter Q and the definitive indices for quarter Q-1 are published the following quarter in the collection Informations rapides. The index series are also available in the Macro-economic Database (BDM), under the heading "Statistical indices and series" on the INSEE website.

When Informations rapides is published, there are still about thirty series relating to major agglomerations that are not yet available. Mid-quarter, between two publications, the BDM and the long series available on the Economic indicators page of the website are updated to include this information and to bring the series that have already been published up to date.

## Detailed documentation

- **Price index for second-hand dwellings stock : description and methodology**  
<http://www.insee.fr/en/methodes/default.asp?page=sources/sou-ind-prix-logements-anciens.htm>
- « [The Notaires-Insee housing prices indexes](#) », *Insee Méthodes* n°128, July 2014