The Housing Wealth Effect: The Crucial Roles of Demographics, Wealth Distribution and Wealth Shares

Supplemental Appendix D
## Weighted Wealth Effect Figures

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This supplemental appendix contains versions of Figure 5 in which average wealth effects during a given year are calculated using total wealth, consumption, and population as weights.
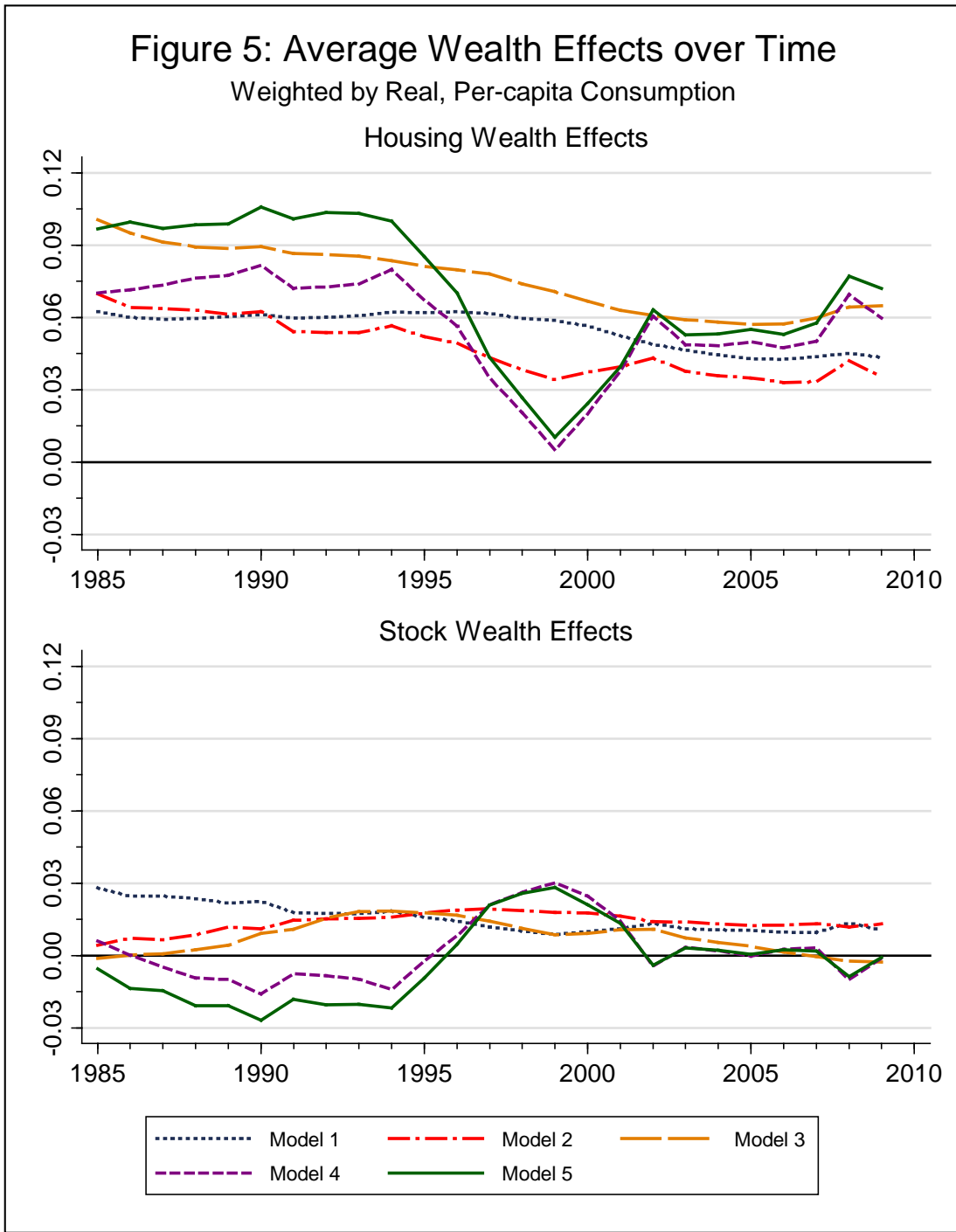
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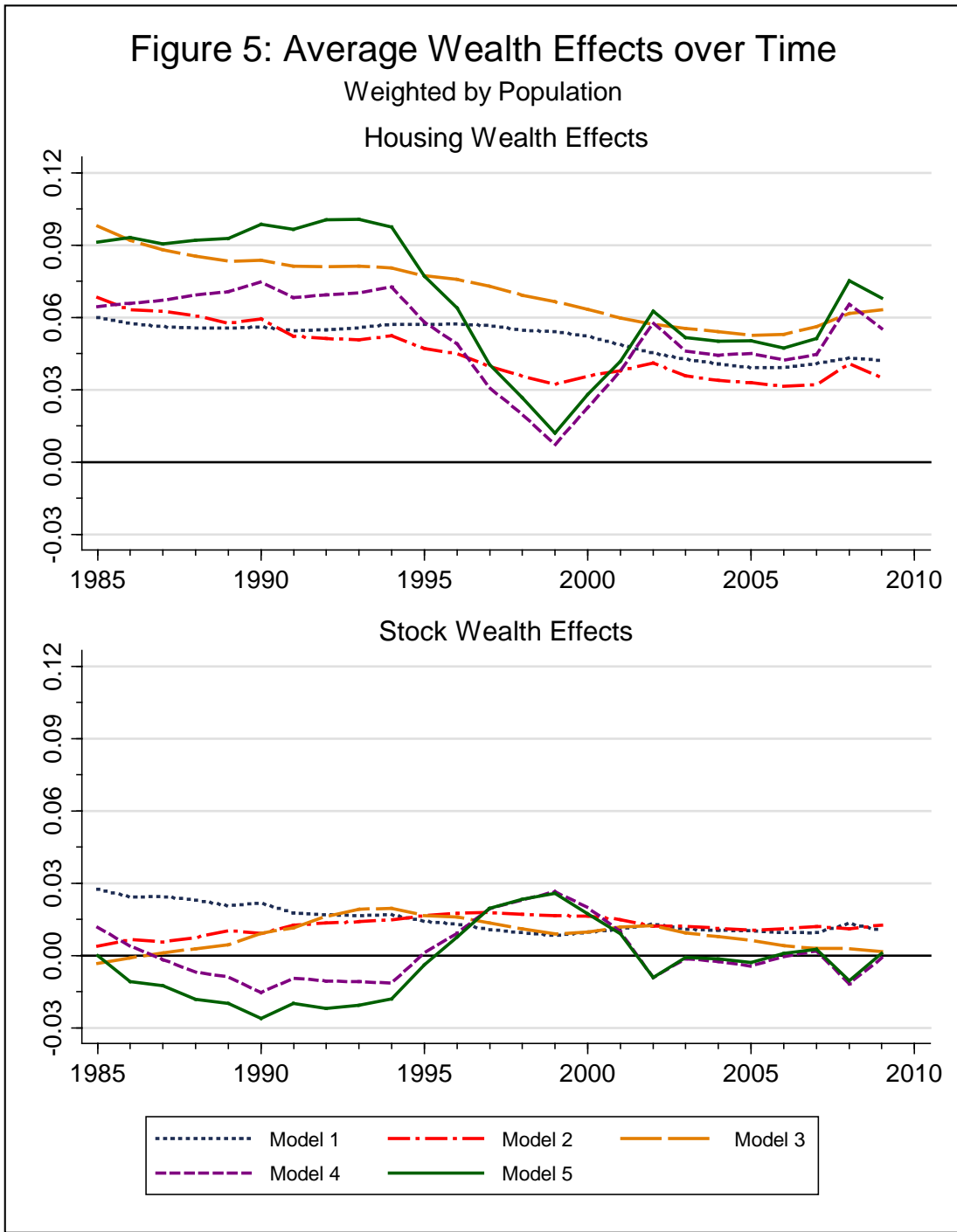
Figure 5: Average Wealth Effects over Time
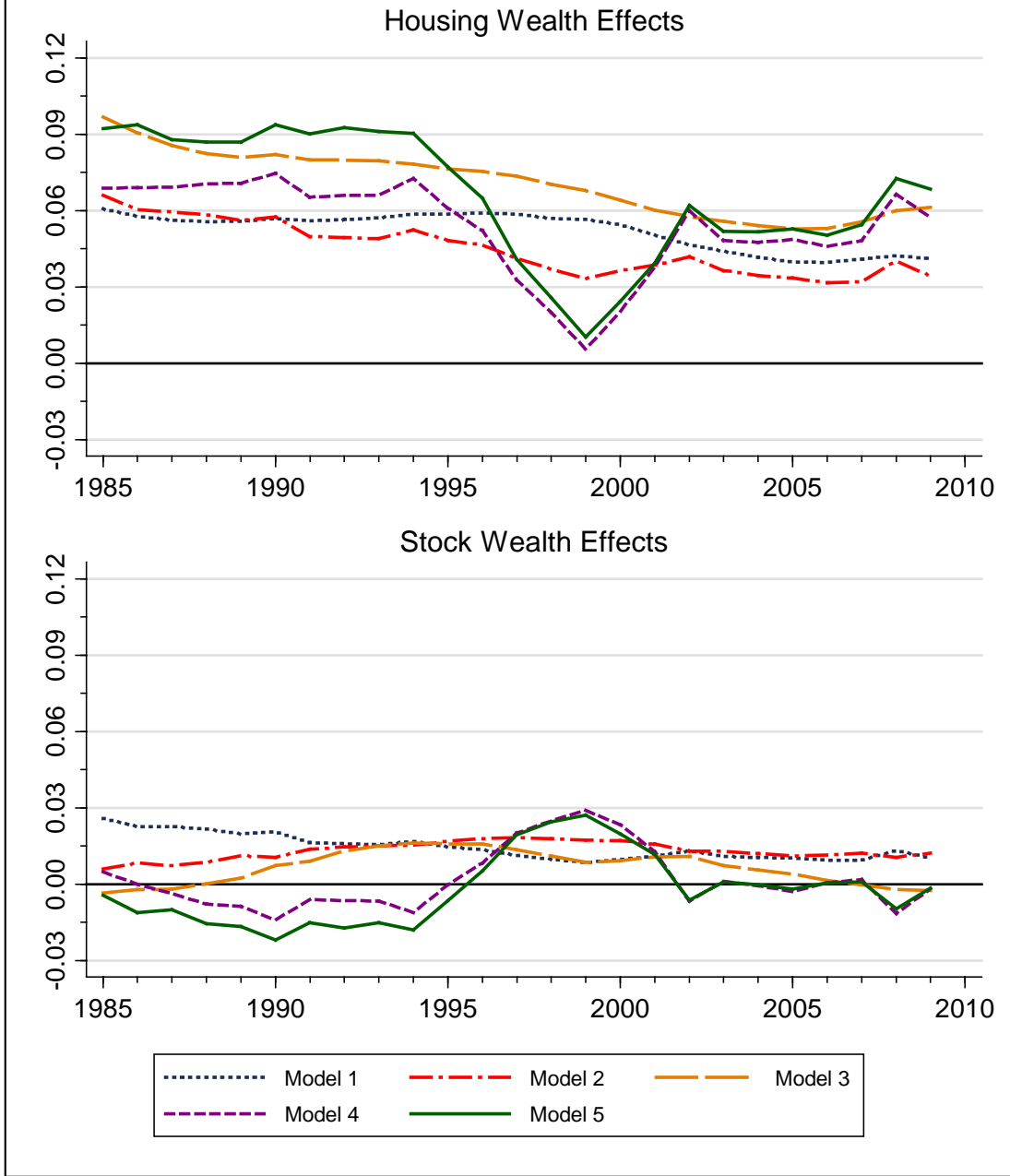
Notes: The time path of the average housing and stock wealth effects are shown for each of the five models presented in Table 3 (each year's value is the average across states, weighted by total wealth). Model 1 is a traditional constant elasticity framework. Model 2 allows housing and stock wealth elasticities to vary based on the composition of total wealth. Model 3 includes demographic effects (age and poverty rates) but not wealth compositions. Model 4 includes both age demographics and wealth compositions but not poverty rates. Model 5 includes all demographic wealth composition effects.

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