We use Google search data to develop a broad-based and real-time index of housing distress. Unlike established indicators, this new Housing Distress Index (HDI) directly reflects sentiment revealed through search queries. Research findings indicate that the HDI provides important new insights in the determination of subprime mortgage credit-default swaps, national and city-specific housing returns, foreclosures, and the VIX. Further, the effects of housing distress on returns are asymmetric and stronger during times of crisis. Overall, results suggest that real estate and related markets are highly sensitive to vulnerabilities in household finances as captured by our measure of housing distress.