

MBA Mortgage Finance Forecast

December 14, 2016

	2016				2017				2018				2015	2016	2017	2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
Housing Measures																	
Housing Starts (SAAR, Thous)	1,151	1,159	1,145	1,230	1,220	1,260	1,280	1,300	1,320	1,350	1,370	1,390	1,108	1,172	1,265	1,358	1,475
Single-Family	790	755	759	810	820	850	870	900	920	950	980	1,000	713	779	860	963	1,075
Two or More	361	405	386	420	400	410	410	400	400	400	390	390	395	393	405	395	400
Home Sales (SAAR, Thous)																	
Total Existing Homes	5,300	5,503	5,390	5,599	5,605	5,661	5,786	5,839	5,890	5,992	6,011	5,921	5,237	5,448	5,722	5,954	6,039
New Homes	529	565	588	593	622	652	652	651	684	701	706	692	503	569	644	696	728
FHFA US House Price Index (YOY % Change)	5.6	5.6	5.6	5.5	5.3	5.0	4.8	4.6	4.5	4.4	4.1	3.9	5.5	5.6	4.9	4.2	3.2
Median Price of Total Existing Homes (Thous \$)	215.8	239.1	239.1	239.0	241.7	249.5	243.1	242.1	247.2	253.0	249.9	241.7	219.9	233.3	244.1	247.9	252.3
Median Price of New Homes (Thous \$)	304.6	312.3	300.9	306.1	312.2	313.6	310.1	311.3	317.5	318.7	315.1	311.4	297.3	306.0	311.8	315.7	318.4
Interest Rates																	
30-Year Fixed Rate Mortgage (%)	3.7	3.6	3.4	3.8	4.3	4.4	4.6	4.7	4.7	4.7	4.8	4.9	3.9	3.7	4.5	4.8	5.3
10-Year Treasury Yield (%)	1.9	1.8	1.6	2.1	2.4	2.5	2.7	2.8	2.8	2.8	2.9	3.0	2.1	1.8	2.6	2.9	3.3
Mortgage Originations																	
Total 1- to 4-Family (Bil \$)	350	510	561	470	352	430	437	352	345	445	443	355	1,679	1,891	1,571	1,588	1,640
Purchase	185	275	298	232	212	310	325	245	240	340	343	255	903	990	1,092	1,178	1,245
Refinance	165	235	263	238	140	120	112	107	105	105	100	100	776	901	479	410	395
Refinance Share (%)	47	46	47	51	40	28	26	30	30	24	23	28	46	48	30	26	24

Notes:

Housing starts and home sales are seasonally adjusted at annual rate.

Total existing home sales include condos and co-ops.

Mortgage rate forecast is based on Freddie Mac's 30-Yr fixed rate which is based on predominantly home purchase transactions.

The 10-Year Treasury Yield and 30-Yr mortgage rate are the average for the quarter.

Total 1-to-4-family originations and refinance share are MBA estimates. These exclude second mortgages and home equity loans.

The FHFA US House Price Index is the forecasted year over year percent change of the FHFA All Transactions House Price Index.

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