

MBA Mortgage Finance Forecast

December 18, 2015

	2015				2016				2017				2014	2015	2016	2017	2018
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
Housing Measures																	
Housing Starts (SAAR, Thous)	978	1,158	1,153	1,125	1,170	1,220	1,260	1,290	1,320	1,355	1,380	1,380	1,001	1,103	1,235	1,359	1,450
Single-Family	643	706	744	745	770	800	840	880	920	945	970	980	647	710	823	954	1,050
Two or More	335	451	409	380	400	420	420	410	400	410	410	400	354	394	413	405	400
Home Sales (SAAR, Thous)																	
Total Existing Homes	4,973	5,297	5,477	5,364	5,409	5,500	5,632	5,637	5,757	5,815	5,888	5,683	4,920	5,278	5,544	5,786	5,949
New Homes	517	497	500	516	560	583	605	623	667	670	670	654	440	507	593	665	688
FHFA US House Price Index (YOY % Change)	5.6	5.4	5.6	5.4	5.2	5.0	4.7	4.5	4.2	4.0	3.8	3.6	5.7	5.5	4.9	3.9	3.2
Median Price of Total Existing Homes (Thous \$)	203.4	228.0	235.2	215.5	216.5	228.3	229.8	225.7	225.4	230.3	231.0	223.8	206.7	220.5	225.1	227.6	224.3
Median Price of New Homes (Thous \$)	293.1	285.0	293.4	288.5	292.6	298.5	294.7	295.6	291.7	292.7	293.8	289.9	283.8	290.0	295.3	292.0	293.0
Interest Rates																	
30-Year Fixed Rate Mortgage (%)	3.7	3.8	4.0	3.9	4.2	4.4	4.6	4.8	4.9	5.1	5.2	5.4	4.2	3.9	4.5	5.2	5.7
10-Year Treasury Yield (%)	2.0	2.2	2.2	2.2	2.3	2.5	2.7	2.9	3.0	3.2	3.3	3.5	2.5	2.1	2.6	3.3	3.8
Mortgage Originations																	
Total 1- to 4-Family (Bil \$)	330	395	381	360	293	360	355	312	280	361	354	315	1,261	1,466	1,320	1,309	1,297
Purchase	155	225	241	200	175	250	260	220	191	275	276	237	759	821	905	978	1,022
Refinance	175	170	140	160	118	110	95	92	89	86	78	78	502	645	415	331	275
Refinance Share (%)	53	43	37	44	40	31	27	29	32	24	22	25	40	44	31	25	21

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.

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.

Refinance share is percent of total dollar volume of closed loans.

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