

# MBA Mortgage Finance Forecast

February 18, 2020

	2019				2020				2021				2019	2020	2021	2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	1,213	1,256	1,282	1,441	1,330	1,290	1,310	1,320	1,320	1,340	1,350	1,350	1,298	1,313	1,340	1,383
Single-Family	864	847	894	973	920	900	920	930	940	960	960	960	894	918	955	983
Two or More	349	409	388	468	410	390	390	390	380	380	390	390	404	395	385	400
Home Sales (SAAR, Thous)																
Total Existing Homes	5,207	5,287	5,427	5,414	5,512	5,418	5,487	5,521	5,571	5,639	5,651	5,681	5,334	5,484	5,635	5,737
New Homes	669	661	699	723	746	731	739	745	754	762	762	766	688	740	761	768
FHFA US House Price Index (YOY % Change)	5.7	5.2	4.6	4.4	4.2	4.0	3.7	3.5	3.2	3.0	2.8	2.6	4.4	3.5	2.6	2.2
Median Price of Total Existing Homes (Thous \$)	253.0	276.8	276.9	272.3	272.1	275.1	276.0	272.0	276.9	281.1	284.3	288.4	269.7	273.8	282.7	290.8
Median Price of New Homes (Thous \$)	312.3	321.2	317.0	325.2	325.2	326.3	327.2	327.9	334.1	335.0	336.0	337.4	318.9	326.6	335.6	340.8
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	4.4	4.0	3.7	3.7	3.6	3.7	3.7	3.7	3.8	3.8	3.8	3.8	3.7	3.7	3.8	4.1
10-Year Treasury Yield (%)	2.7	2.3	1.8	1.8	1.8	1.9	1.9	1.9	2.0	2.0	2.0	2.0	1.8	1.9	2.0	2.3
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	325	501	605	637	517	532	514	426	365	486	504	435	2,068	1,989	1,790	1,799
Purchase	228	355	375	314	257	364	382	321	260	378	390	330	1,272	1,324	1,358	1,370
Refinance	97	146	230	323	260	168	132	105	105	108	114	105	796	665	432	429
Refinance Share (%)	30	29	38	51	50	32	26	25	30	23	23	25	38	33	24	24
<b>Mortgage Debt Outstanding</b>																
1- to 4-Family (Bil \$)	10,362	10,446	10,556	10,659	10,758	10,860	10,966	11,062	11,153	11,255	11,358	11,453	10,659	11,062	11,453	11,830

**Notes:**

Housing starts and home sales are seasonally adjusted.

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, but annual columns show Q4 values.

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.

The mortgage debt outstanding forecast is for 1-4 unit mortgage debt and excludes home equity loans. Annual MDO numbers reflect EOP values.

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