

# MBA Mortgage Finance Forecast

January 17, 2019

	2018				2019				2020				2018	2019	2020	2021
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	2020	2021
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	1,317	1,261	1,234	1,230	1,250	1,270	1,310	1,310	1,310	1,320	1,320	1,330	1,260	1,285	1,320	1,360
Single-Family	889	896	877	850	870	890	920	920	930	940	940	950	878	900	940	980
Two or More	428	365	357	380	380	380	390	390	380	380	380	380	382	385	380	380
Home Sales (SAAR, Thous)																
Total Existing Homes	5,507	5,413	5,273	5,318	5,440	5,533	5,626	5,645	5,690	5,741	5,700	5,713	5,378	5,561	5,711	5,842
New Homes	656	633	598	560	598	625	652	664	663	675	670	671	612	635	670	693
FHFA US House Price Index (YOY % Change)	6.9	6.8	6.6	6.3	5.8	5.3	4.9	4.5	4.1	3.7	3.4	3.0	6.3	4.5	3.0	1.9
Median Price of Total Existing Homes (Thous \$)	243.8	265.6	263.9	259.4	268.0	270.9	271.8	272.9	281.2	282.2	283.4	284.5	258.2	270.9	282.8	285.1
Median Price of New Homes (Thous \$)	330.7	313.9	324.2	315.3	327.3	328.6	329.9	331.3	337.4	338.8	340.2	341.7	321.0	329.3	339.5	345.4
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	4.3	4.5	4.6	4.8	4.6	4.7	4.8	4.8	4.9	4.9	4.9	4.9	4.8	4.8	4.9	4.9
10-Year Treasury Yield (%)	2.8	2.9	2.9	3.0	2.9	3.0	3.1	3.1	3.2	3.2	3.2	3.2	3.0	3.1	3.2	3.2
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	342	452	457	392	309	448	460	396	338	460	471	414	1,643	1,613	1,683	1,740
Purchase	214	334	346	291	223	348	360	301	236	358	369	310	1,185	1,232	1,273	1,308
Refinance	128	118	111	101	86	100	100	95	102	102	102	104	458	381	410	432
Refinance Share (%)	37	26	24	27	28	22	22	24	30	22	22	25	28	24	24	25
<b>Mortgage Debt Outstanding</b>																
1- to 4-Family (Bil \$)	10,090	10,194	10,297	10,392	10,485	10,591	10,696	10,792	10,883	10,985	11,083	11,172	10,392	10,792	11,172	11,521

**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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