

# MBA Mortgage Finance Forecast

August 18, 2016

	2015				2016				2017				2015	2016	2017	2018
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	986	1,156	1,156	1,135	1,151	1,160	1,200	1,210	1,220	1,260	1,280	1,300	1,108	1,180	1,265	1,358
Single-Family	643	709	745	755	790	762	790	800	820	850	870	900	713	786	860	958
Two or More	343	447	411	380	361	397	410	410	400	410	410	400	395	395	405	400
<b>Home Sales (SAAR, Thous)</b>																
Total Existing Homes	4,973	5,297	5,477	5,200	5,300	5,503	5,583	5,615	5,693	5,767	5,790	5,753	5,237	5,500	5,751	5,913
New Homes	517	497	488	509	529	579	597	613	634	651	652	661	503	579	649	696
FHFA US House Price Index (YOY % Change)	5.6	5.4	5.6	5.4	5.4	5.4	5.3	5.0	4.7	4.5	4.4	4.1	5.5	5.3	4.4	3.6
Median Price of Total Existing Homes (Thous \$)	203.4	228.0	227.3	220.8	215.8	239.2	237.5	233.7	237.6	242.1	238.9	237.7	219.9	231.5	239.1	236.1
Median Price of New Homes (Thous \$)	293.1	289.8	301.3	304.9	304.6	305.2	309.3	305.6	306.7	308.2	304.3	305.5	297.3	306.2	306.1	304.6
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	3.7	3.8	4.0	3.9	3.7	3.6	3.5	3.7	3.9	4.1	4.3	4.4	3.9	3.6	4.2	4.6
10-Year Treasury Yield (%)	2.0	2.2	2.2	2.2	1.9	1.8	1.6	1.8	2.0	2.2	2.4	2.5	2.1	1.8	2.3	2.7
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	338	461	426	405	350	510	561	395	346	419	417	327	1,630	1,816	1,509	1,446
Purchase	150	243	273	215	185	275	298	223	205	310	325	245	881	981	1,085	1,145
Refinance	188	218	153	190	165	235	263	172	141	109	92	82	749	835	424	301
Refinance Share (%)	56	47	36	47	47	46	47	44	41	26	22	25	46	46	28	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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