

# MBA Mortgage Finance Forecast

January 20, 2016

	2015				2016				2017				2014	2015	2016	2017	2018
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
<b>Housing Measures</b>																	
Housing Starts (SAAR, Thous)	978	1,158	1,158	1,125	1,150	1,220	1,260	1,290	1,320	1,355	1,380	1,380	1,001	1,105	1,230	1,359	1,450
Single-Family	643	706	745	759	750	800	840	880	920	945	970	980	647	710	818	954	1,050
Two or More	335	451	414	374	400	420	420	410	400	410	410	400	354	395	413	405	400
Home Sales (SAAR, Thous)																	
Total Existing Homes	4,973	5,297	5,477	5,108	5,217	5,439	5,631	5,633	5,733	5,796	5,871	5,669	4,920	5,214	5,480	5,767	5,921
New Homes	517	497	483	486	541	573	600	618	667	670	670	655	440	496	583	665	695
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	216.3	228.1	229.5	225.3	225.1	230.0	230.8	223.6	206.7	220.5	224.8	227.4	224.3
Median Price of New Homes (Thous \$)	293.1	285.0	293.4	288.4	292.7	298.8	295.0	296.1	292.3	293.2	294.4	290.6	283.8	290.0	295.6	292.6	293.8
<b>Interest Rates</b>																	
30-Year Fixed Rate Mortgage (%)	3.7	3.8	4.0	3.9	4.0	4.2	4.4	4.6	4.7	4.9	5.0	5.2	4.2	3.9	4.3	4.9	5.4
10-Year Treasury Yield (%)	2.0	2.2	2.2	2.2	2.1	2.3	2.5	2.7	2.8	3.0	3.1	3.3	2.5	2.1	2.4	3.0	3.5
<b>Mortgage Originations</b>																	
Total 1- to 4-Family (Bil \$)	330	395	381	380	320	372	367	321	280	361	354	315	1,261	1,486	1,380	1,309	1,297
Purchase	155	225	241	200	179	256	268	223	191	275	276	237	759	821	926	978	1,022
Refinance	175	170	140	180	141	116	99	98	89	86	78	78	502	665	454	331	275
Refinance Share (%)	53	43	37	47	44	31	27	31	32	24	22	25	40	45	33	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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