

# MBA Mortgage Finance Forecast

January 19, 2017

	2016				2017				2018				2015	2016	2017	2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
<b>Housing Measures</b>																	
Housing Starts (SAAR, Thous)	1,151	1,159	1,145	1,216	1,220	1,260	1,280	1,300	1,320	1,350	1,370	1,390	1,108	1,168	1,265	1,358	1,465
Single-Family	790	755	758	830	820	850	870	900	920	950	980	1,000	713	783	860	963	1,075
Two or More	361	405	387	386	400	410	410	400	400	400	390	390	395	385	405	395	390
Home Sales (SAAR, Thous)																	
Total Existing Homes	5,300	5,503	5,390	5,603	5,650	5,686	5,787	5,839	5,881	5,984	6,013	5,923	5,237	5,449	5,740	5,950	6,045
New Homes	529	565	588	587	621	657	652	651	682	699	706	692	503	567	645	695	729
FHFA US House Price Index (YOY % Change)	5.6	5.6	5.6	5.5	5.3	5.0	4.8	4.6	4.5	4.4	4.1	3.9	5.5	5.6	4.9	4.2	3.2
Median Price of Total Existing Homes (Thous \$)	215.8	239.1	239.1	234.0	241.7	249.4	243.1	241.8	246.9	252.8	249.6	241.5	219.9	232.0	244.0	247.7	251.8
Median Price of New Homes (Thous \$)	304.6	312.3	300.9	306.1	312.3	313.6	309.9	311.2	317.2	318.3	314.6	310.9	297.3	306.0	311.8	315.2	318.0
<b>Interest Rates</b>																	
30-Year Fixed Rate Mortgage (%)	3.7	3.6	3.4	3.8	4.3	4.4	4.6	4.7	4.8	4.9	5.0	5.1	3.9	3.7	4.5	4.9	5.3
10-Year Treasury Yield (%)	1.9	1.8	1.6	2.1	2.5	2.5	2.7	2.8	2.9	3.0	3.1	3.2	2.1	1.8	2.6	3.0	3.4
<b>Mortgage Originations</b>																	
Total 1- to 4-Family (Bil \$)	350	510	561	470	344	430	437	352	345	445	443	355	1,679	1,891	1,563	1,588	1,640
Purchase	185	275	298	232	212	310	325	245	240	340	343	255	903	990	1,092	1,178	1,245
Refinance	165	235	263	238	132	120	112	107	105	105	100	100	776	901	471	410	395
Refinance Share (%)	47	46	47	51	38	28	26	30	30	24	23	28	46	48	30	26	24

**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.

The 10-Year Treasury Yield and 30-Yr mortgage rate are the average for the quarter.

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.

Copyright 2016 Mortgage Bankers Association. All rights reserved.

THE HISTORICAL DATA AND PROJECTIONS ARE PROVIDED "AS IS" WITH NO WARRANTIES OF ANY KIND.

