

MBA Mortgage Finance Forecast

July 14, 2016

	2015				2016				2017				2015	2016	2017	2018
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Housing Measures																
Housing Starts (SAAR, Thous)	986	1,156	1,156	1,135	1,151	1,170	1,200	1,210	1,220	1,260	1,280	1,300	1,108	1,183	1,265	1,355
Single-Family	643	709	745	755	790	780	790	800	820	850	870	900	713	790	860	955
Two or More	343	447	411	380	361	390	410	410	400	410	410	400	395	393	405	400
Home Sales (SAAR, Thous)																
Total Existing Homes	4,973	5,297	5,477	5,200	5,300	5,509	5,544	5,609	5,680	5,826	5,781	5,748	5,237	5,490	5,759	5,890
New Homes	517	497	488	509	532	577	595	613	624	662	652	661	503	579	650	694
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	216.2	228.0	229.6	225.1	225.0	229.7	230.4	223.3	219.9	224.7	227.1	224.1
Median Price of New Homes (Thous \$)	293.1	289.8	301.3	304.9	289.3	297.8	294.0	295.2	291.2	292.4	293.6	289.7	297.3	294.1	291.7	292.4
Interest Rates																
30-Year Fixed Rate Mortgage (%)	3.7	3.8	4.0	3.9	3.7	3.6	3.6	3.8	4.0	4.1	4.3	4.4	3.9	3.7	4.2	4.7
10-Year Treasury Yield (%)	2.0	2.2	2.2	2.2	1.9	1.8	1.6	1.9	2.1	2.2	2.4	2.5	2.1	1.8	2.3	2.8
Mortgage Originations																
Total 1- to 4-Family (Bil \$)	338	461	426	405	350	510	518	363	295	380	390	318	1,630	1,741	1,383	1,347
Purchase	150	243	273	215	185	275	298	223	195	282	298	236	881	981	1,011	1,046
Refinance	188	218	153	190	165	235	220	140	100	98	92	82	749	760	372	301
Refinance Share (%)	56	47	36	47	47	46	42	39	34	26	24	26	46	44	27	22

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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