

# MBA Mortgage Finance Forecast

July 20, 2017

	2016				2017				2018				2016	2017	2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2016	2017	2018	2019
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	1,153	1,158	1,150	1,248	1,238	1,164	1,230	1,290	1,320	1,350	1,370	1,390	1,177	1,230	1,358	1,465
Single-Family	787	756	761	834	839	824	850	880	920	950	980	1,000	784	848	963	1,075
Two or More	367	401	389	414	399	340	380	410	400	400	390	390	393	382	395	390
Home Sales (SAAR, Thous)																
Total Existing Homes	5,357	5,477	5,380	5,547	5,620	5,607	5,714	5,803	5,889	6,015	6,090	6,108	5,440	5,686	6,026	6,169
New Homes	526	562	588	568	616	611	639	648	675	694	704	707	561	628	695	725
FHFA US House Price Index (YOY % Change)	5.6	5.7	5.8	5.6	5.5	5.2	5.0	4.7	4.4	4.2	4.0	3.8	5.7	5.1	4.1	3.4
Median Price of Total Existing Homes (Thous \$)	215.8	239.1	239.5	233.9	230.6	247.7	242.9	239.7	239.3	250.8	251.0	242.9	232.1	240.2	246.0	249.7
Median Price of New Homes (Thous \$)	304.6	313.0	307.0	317.7	311.8	328.7	319.9	311.6	317.6	325.4	319.5	315.5	310.6	318.0	319.5	322.0
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	3.7	3.6	3.4	3.8	4.2	4.0	4.3	4.5	4.7	4.8	5.0	5.1	3.6	4.2	4.9	5.3
10-Year Treasury Yield (%)	1.9	1.8	1.6	2.1	2.4	2.3	2.5	2.6	2.8	2.9	3.1	3.2	1.8	2.5	3.0	3.5
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	350	510	561	470	361	463	455	348	345	445	443	355	1,891	1,627	1,588	1,640
Purchase	185	275	298	232	212	316	320	241	240	340	343	255	990	1,089	1,178	1,245
Refinance	165	235	263	238	149	147	135	107	105	105	100	100	901	538	410	395
Refinance Share (%)	47	46	47	51	41	32	30	31	30	24	23	28	48	33	26	24
<b>Mortgage Debt Outstanding</b>																
1- to 4-Family (Bil \$)	9,418	9,485	9,590	9,670	9,750	9,850	9,950	10,050	10,140	10,250	10,360	10,450	9,670	10,050	10,450	10,850

**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.

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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