

MBA Mortgage Finance Forecast

July 6, 2018

	2017				2018				2019				2017	2018	2019	2020
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Housing Measures																
Housing Starts (SAAR, Thous)	1,231	1,171	1,172	1,259	1,320	1,315	1,300	1,325	1,340	1,370	1,390	1,405	1,208	1,315	1,376	1,413
Single-Family	835	828	849	894	893	915	920	935	950	980	1,000	1,015	852	916	986	1,030
Two or More	396	342	322	365	427	400	380	390	390	390	390	390	356	399	390	385
Home Sales (SAAR, Thous)																
Total Existing Homes	5,620	5,563	5,393	5,593	5,507	5,476	5,573	5,662	5,691	5,722	5,806	5,841	5,542	5,555	5,765	5,928
New Homes	619	604	584	655	655	672	645	653	654	666	672	676	616	656	667	696
FHFA US House Price Index (YOY % Change)	5.9	6.6	6.4	6.4	6.6	5.6	5.3	4.9	4.6	4.2	3.9	3.6	5.8	5.6	4.1	3.1
Median Price of Total Existing Homes (Thous \$)	230.7	253.6	252.9	246.6	243.8	255.5	254.1	254.7	255.6	260.6	261.4	258.7	245.9	252.0	259.1	265.6
Median Price of New Homes (Thous \$)	311.6	316.6	322.9	335.4	331.5	321.4	333.3	334.8	336.2	342.5	344.2	340.4	321.1	330.2	340.8	348.6
Interest Rates																
30-Year Fixed Rate Mortgage (%)	4.2	4.0	3.9	3.9	4.3	4.5	4.7	4.9	5.0	5.1	5.2	5.3	3.9	4.9	5.3	5.3
10-Year Treasury Yield (%)	2.4	2.3	2.2	2.4	2.8	2.9	3.0	3.1	3.1	3.2	3.3	3.4	2.4	3.1	3.4	3.4
Mortgage Originations																
Total 1- to 4-Family (Bil \$)	361	463	471	415	346	447	449	370	332	448	460	368	1,710	1,612	1,608	1,677
Purchase	212	316	320	262	218	329	335	270	232	348	360	273	1,110	1,152	1,213	1,282
Refinance	149	147	151	153	128	118	114	100	100	100	100	95	600	460	395	395
Refinance Share (%)	41	32	32	37	37	26	24	27	28	22	22	26	35	29	25	24
Mortgage Debt Outstanding																
1- to 4-Family (Bil \$)	9,770	9,840	9,930	10,010	10,090	10,180	10,280	10,370	10,460	10,560	10,670	10,760	10,010	10,370	10,760	11,130

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, but annual columns show Q4 values.

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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