

MBA Mortgage Finance Forecast

March 17, 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)	978	1,158	1,158	1,130	1,135	1,210	1,260	1,290	1,320	1,355	1,380	1,380	1,106	1,224	1,359	1,450
Single-Family	643	706	745	754	775	820	850	880	920	945	970	980	712	831	954	1,050
Two or More	335	451	414	376	360	390	410	410	400	410	410	400	394	393	405	400
Home Sales (SAAR, Thous)																
Total Existing Homes	4,973	5,297	5,477	5,200	5,432	5,582	5,643	5,621	5,715	5,782	5,866	5,672	5,237	5,569	5,759	5,825
New Homes	517	497	488	506	519	565	603	618	657	675	680	665	502	576	669	696
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	5.5	4.9	3.9	3.2
Median Price of Total Existing Homes (Thous \$)	203.4	228.0	235.2	215.5	216.2	228.0	229.7	225.3	225.2	230.0	230.9	223.6	220.5	224.8	227.4	224.3
Median Price of New Homes (Thous \$)	293.1	285.0	293.4	288.4	292.1	298.2	294.2	295.3	291.3	292.3	293.2	289.3	290.0	294.9	291.5	292.1
Interest Rates																
30-Year Fixed Rate Mortgage (%)	3.7	3.8	4.0	3.9	3.8	4.0	4.1	4.3	4.4	4.6	4.7	4.9	3.9	4.1	4.7	5.2
10-Year Treasury Yield (%)	2.0	2.2	2.2	2.2	1.9	2.1	2.2	2.4	2.5	2.7	2.8	3.0	2.1	2.2	2.8	3.2
Mortgage Originations																
Total 1- to 4-Family (Bil \$)	338	461	426	405	350	445	400	328	295	380	390	318	1,630	1,523	1,383	1,347
Purchase	150	243	273	215	185	275	290	223	195	282	298	236	881	973	1,011	1,046
Refinance	188	218	153	190	165	170	110	105	100	98	92	82	749	550	372	301
Refinance Share (%)	56	47	36	47	47	38	28	32	34	26	24	26	46	36	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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