

MBA Mortgage Finance Forecast

May 10, 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	1,135	1,133	1,210	1,260	1,290	1,320	1,355	1,380	1,380	1,107	1,223	1,359	1,463
Single-Family	643	706	745	757	792	820	850	880	920	945	970	980	713	836	954	1,063
Two or More	335	451	414	379	341	390	410	410	400	410	410	400	395	388	405	400
Home Sales (SAAR, Thous)																
Total Existing Homes	4,973	5,297	5,477	5,200	5,290	5,385	5,600	5,615	5,728	5,795	5,856	5,693	5,237	5,472	5,768	5,885
New Homes	517	497	488	509	517	556	603	618	657	675	677	667	503	574	669	702
FHFA US House Price Index (YOY % Change)	5.6	5.4	5.6	5.4	5.2	5.2	5.1	4.8	4.6	4.4	4.2	4.0	5.5	5.1	4.3	3.5
Median Price of Total Existing Homes (Thous \$)	203.4	228.0	227.3	220.8	216.2	227.5	229.1	225.2	225.1	230.1	231.0	223.8	219.9	224.5	227.5	224.6
Median Price of New Homes (Thous \$)	293.1	289.8	301.3	304.9	289.3	298.6	294.8	295.7	291.7	292.5	293.5	289.7	297.3	294.6	291.9	292.5
Interest Rates																
30-Year Fixed Rate Mortgage (%)	3.7	3.8	4.0	3.9	3.7	3.8	3.9	4.1	4.2	4.4	4.7	4.8	3.9	3.9	4.5	5.2
10-Year Treasury Yield (%)	2.0	2.2	2.2	2.2	1.9	1.9	2.0	2.2	2.3	2.5	2.8	2.9	2.1	2.0	2.6	3.3
Mortgage Originations																
Total 1- to 4-Family (Bil \$)	338	461	426	405	350	510	420	328	295	380	390	318	1,630	1,608	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	235	130	105	100	98	92	82	749	635	372	301
Refinance Share (%)	56	47	36	47	47	46	31	32	34	26	24	26	46	39	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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