

MBA Mortgage Finance Forecast

May 10, 2017

	2016				2017				2018				2016	2017	2018	2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Housing Measures																
Housing Starts (SAAR, Thous)	1,151	1,159	1,145	1,248	1,253	1,260	1,280	1,300	1,320	1,350	1,370	1,390	1,176	1,273	1,358	1,465
Single-Family	790	755	758	834	836	850	870	900	920	950	980	1,000	784	864	963	1,075
Two or More	361	405	387	414	417	410	410	400	400	400	390	390	392	409	395	390
Home Sales (SAAR, Thous)																
Total Existing Homes	5,357	5,477	5,380	5,547	5,623	5,694	5,867	5,932	5,945	6,046	6,059	6,029	5,440	5,779	6,020	6,104
New Homes	529	565	583	564	598	628	647	650	677	697	699	702	560	631	694	729
FHFA US House Price Index (YOY % Change)	5.6	5.7	5.8	5.6	5.2	5.0	4.6	4.2	3.8	3.4	3.0	2.7	5.7	4.8	3.2	1.8
Median Price of Total Existing Homes (Thous \$)	215.8	239.1	239.5	233.9	230.6	252.4	246.0	240.7	245.6	251.3	248.1	239.9	232.1	242.4	246.2	250.8
Median Price of New Homes (Thous \$)	304.6	313.0	307.0	317.7	305.4	319.0	315.0	311.0	317.1	318.2	314.4	310.6	310.6	312.6	315.1	316.7
Interest Rates																
30-Year Fixed Rate Mortgage (%)	3.7	3.6	3.4	3.8	4.2	4.2	4.4	4.6	4.7	4.9	5.1	5.2	3.6	4.3	5.0	5.4
10-Year Treasury Yield (%)	1.9	1.8	1.6	2.1	2.4	2.5	2.6	2.7	2.8	3.0	3.2	3.3	1.8	2.6	3.1	3.5
Mortgage Originations																
Total 1- to 4-Family (Bil \$)	350	510	561	470	361	463	424	348	345	445	443	355	1,891	1,596	1,588	1,640
Purchase	185	275	298	232	212	316	312	241	240	340	343	255	990	1,081	1,178	1,245
Refinance	165	235	263	238	149	147	112	107	105	105	100	100	901	515	410	395
Refinance Share (%)	47	46	47	51	41	32	26	31	30	24	23	28	48	32	26	24
Mortgage Debt Outstanding																
1- to 4-Family (Bil \$)	9,418	9,485	9,590	9,670	9,752	9,848	9,948	10,041	10,134	10,241	10,346	10,437	9,670	10,041	10,437	10,806

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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