

MBA Mortgage Finance Forecast

November 21, 2017

	2017				2018				2019				2016	2017	2018	2019	2020
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
Housing Measures																	
Housing Starts (SAAR, Thous)	1,238	1,167	1,165	1,250	1,260	1,290	1,300	1,305	1,340	1,370	1,390	1,405	1,177	1,195	1,289	1,376	1,435
Single-Family	839	825	846	870	890	910	920	935	950	980	1,000	1,015	784	842	914	986	1,060
Two or More	399	342	319	380	370	380	380	370	390	390	390	390	393	352	375	390	375
Home Sales (SAAR, Thous)																	
Total Existing Homes	5,620	5,563	5,393	5,394	5,486	5,604	5,702	5,725	5,754	5,793	5,818	5,848	5,440	5,492	5,629	5,803	5,978
New Homes	617	605	603	591	593	624	635	640	650	661	667	671	561	604	623	662	694
FHFA US House Price Index (YOY % Change)	5.7	6.4	6.4	6.2	5.9	5.6	5.3	4.9	4.6	4.2	3.9	3.6	5.7	6.2	5.4	4.1	2.9
Median Price of Total Existing Homes (Thous \$)	230.7	253.6	252.1	244.5	252.8	252.9	253.5	250.4	255.1	260.2	261.4	258.5	232.1	245.2	252.4	258.8	265.4
Median Price of New Homes (Thous \$)	311.6	316.6	315.7	316.8	328.4	330.1	331.5	327.6	334.3	340.5	341.8	338.1	306.5	315.2	329.4	338.6	346.4
Interest Rates																	
30-Year Fixed Rate Mortgage (%)	4.2	4.0	3.9	4.0	4.3	4.5	4.7	4.8	4.8	4.9	5.0	5.1	3.6	4.0	4.6	4.9	5.3
10-Year Treasury Yield (%)	2.4	2.3	2.2	2.4	2.5	2.7	2.8	2.9	2.9	3.0	3.1	3.2	1.8	2.3	2.7	3.0	3.5
Mortgage Originations																	
Total 1- to 4-Family (Bil \$)	361	463	471	415	362	450	450	352	355	460	460	365	2,051	1,710	1,614	1,640	1,712
Purchase	212	316	320	262	237	345	350	252	255	360	360	270	1,052	1,110	1,184	1,245	1,317
Refinance	149	147	151	153	125	105	100	100	100	100	100	95	999	600	430	395	395
Refinance Share (%)	41	32	32	37	35	23	22	28	28	22	22	26	49	35	27	24	23
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	9,710	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.

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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