

# MBA Mortgage Finance Forecast

January 14, 2014

	2013				2014				2015				2013	2014	2015
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
<b>Housing Measures</b>															
Housing Starts (SAAR, Thous)	957	869	882	980	985	1,030	1,070	1,085	1,105	1,125	1,160	1,190	922	1,043	1,145
Single-Family	630	598	596	655	655	690	720	750	785	810	840	880	620	704	829
Two or More	328	270	287	325	330	340	350	335	320	315	320	310	302	339	316
Home Sales (SAAR, Thous)															
Total Existing Homes	4,943	5,057	5,358	5,085	5,144	5,303	5,372	5,418	5,466	5,547	5,620	5,534	5,111	5,309	5,542
New Homes	449	443	426	476	480	488	494	497	508	516	513	502	449	490	510
FHFA US House Price Index (YOY % Change)	2.3	4.0	4.4	4.7	4.9	4.9	4.6	4.4	4.0	3.8	3.6	3.5	4.7	4.4	3.5
Median Price of Total Existing Homes (Thous \$)	176.0	203.0	206.9	196.6	193.5	202.0	207.2	191.7	198.9	208.6	204.0	200.4	195.6	198.6	203.0
Median Price of New Homes (Thous \$)	258.0	267.6	259.4	265.7	266.6	277.7	278.7	270.2	271.6	277.5	278.8	274.9	262.7	273.3	275.7
<b>Interest Rates</b>															
30-Year Fixed Rate Mortgage (%)	3.5	3.7	4.4	4.3	4.7	4.8	5.0	5.1	5.1	5.2	5.3	5.3	4.0	4.9	5.2
10-Year Treasury Yield (%)	2.0	2.0	2.7	2.7	3.0	3.1	3.2	3.3	3.3	3.4	3.5	3.5	2.3	3.2	3.4
<b>Mortgage Originations</b>															
Total 1- to 4-Family (Bil \$)	524	537	401	293	226	285	315	290	287	320	327	296	1,755	1,116	1,229
Purchase	136	183	195	138	115	174	202	186	184	211	213	189	652	677	796
Refinance	388	354	206	155	111	111	113	104	103	109	115	106	1,103	440	433
Refinance Share (%)	74	66	51	53	49	39	36	36	36	34	35	36	63	39	35

**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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