

MBA Mortgage Finance Forecast

February 18, 2014

	2013				2014				2015				2013	2014	2015
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2013	2014	2015
Housing Measures															
Housing Starts (SAAR, Thous)	957	869	882	1,002	980	1,030	1,070	1,110	1,130	1,160	1,220	1,265	928	1,048	1,194
Single-Family	630	598	596	661	650	690	730	760	780	810	860	900	621	708	838
Two or More	328	270	287	340	330	340	340	350	350	350	360	365	306	340	356
Home Sales (SAAR, Thous)															
Total Existing Homes	4,943	5,057	5,358	4,937	4,938	5,015	5,371	5,413	5,466	5,531	5,601	5,658	5,074	5,184	5,564
New Homes	449	443	388	441	499	502	505	513	524	521	529	544	430	505	529
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	197.0	192.9	201.5	206.6	191.3	198.9	208.7	203.9	200.4	195.7	198.1	203.0
Median Price of New Homes (Thous \$)	258.0	267.6	262.4	266.3	268.1	279.2	280.7	272.1	273.1	279.1	280.7	276.7	263.6	275.0	277.4
Interest Rates															
30-Year Fixed Rate Mortgage (%)	3.5	3.7	4.4	4.3	4.5	4.7	4.9	5.0	5.1	5.2	5.3	5.3	4.0	4.8	5.2
10-Year Treasury Yield (%)	2.0	2.0	2.7	2.7	2.9	3.0	3.1	3.2	3.3	3.4	3.5	3.5	2.4	3.0	3.4
Mortgage Originations															
Total 1- to 4-Family (Bil \$)	524	537	401	293	226	271	315	290	287	320	327	296	1,755	1,102	1,229
Purchase	136	183	195	138	115	160	202	186	184	211	213	189	652	663	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	41	36	36	36	34	35	36	63	40	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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