

# MBA Mortgage Finance Forecast

May 19, 2014

	2013				2014				2015				2013	2014	2015
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2013	2014	2015
<b>Housing Measures</b>															
Housing Starts (SAAR, Thous)	957	869	882	1,008	923	1,025	1,050	1,060	1,130	1,170	1,220	1,265	929	1,015	1,196
Single-Family	630	598	596	661	605	650	700	710	780	810	860	900	621	666	838
Two or More	328	270	287	347	318	375	350	350	350	360	360	365	308	348	359
Home Sales (SAAR, Thous)															
Total Existing Homes	4,927	5,100	5,323	4,943	4,603	4,788	5,218	5,293	5,374	5,467	5,627	5,805	5,073	4,976	5,568
New Homes	449	443	388	446	434	459	505	514	519	536	554	563	432	478	543
FHFA US House Price Index (YOY % Change)	2.3	4.3	4.7	4.8	4.4	4.4	4.4	4.2	4.0	3.7	3.4	3.0	4.8	4.2	3.0
Median Price of Total Existing Homes (Thous \$)	176.0	203.0	206.9	197.0	191.6	197.4	200.5	196.3	200.9	205.4	207.1	200.8	195.7	196.4	203.6
Median Price of New Homes (Thous \$)	258.0	267.6	262.4	272.3	271.2	275.3	277.2	273.5	279.6	280.8	279.5	273.9	265.1	274.3	278.4
<b>Interest Rates</b>															
30-Year Fixed Rate Mortgage (%)	3.5	3.7	4.4	4.3	4.4	4.5	4.9	5.0	5.1	5.2	5.3	5.3	4.0	4.7	5.2
10-Year Treasury Yield (%)	2.0	2.0	2.7	2.7	2.8	2.8	3.0	3.2	3.3	3.4	3.5	3.5	2.4	2.9	3.4
<b>Mortgage Originations</b>															
Total 1- to 4-Family (Bil \$)	524	537	401	293	226	267	289	264	290	307	324	296	1,755	1,046	1,217
Purchase	136	183	195	138	115	158	179	169	189	206	220	192	652	621	807
Refinance	388	354	206	155	111	109	110	95	102	101	104	104	1,103	425	410
Refinance Share (%)	74	66	51	53	49	41	38	36	35	33	32	35	63	41	34

**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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