

# MBA Mortgage Finance Forecast

August 22, 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)	947	865	882	1,025	925	980	1,040	1,050	1,090	1,150	1,190	1,220	930	999	1,163
Single-Family	627	596	598	663	602	630	660	680	720	770	810	830	621	640	783
Two or More	320	268	284	362	323	368	380	370	370	380	380	390	309	359	380
Home Sales (SAAR, Thous)															
Total Existing Homes	4,927	5,100	5,323	4,943	4,603	4,870	5,105	4,934	5,087	5,226	5,360	5,358	5,073	4,878	5,258
New Homes	449	443	388	446	431	419	460	468	472	493	509	532	432	444	502
FHFA US House Price Index (YOY % Change)	2.3	4.3	4.7	4.8	4.4	4.4	4.3	4.0	3.6	3.3	3.2	3.0	4.8	4.0	3.0
Median Price of Total Existing Homes (Thous \$)	176.0	203.0	206.9	196.9	191.0	212.3	212.0	198.1	195.0	212.7	215.8	199.6	195.7	203.3	205.8
Median Price of New Homes (Thous \$)	258.0	267.6	262.4	272.3	273.5	276.2	279.2	273.9	277.2	288.4	285.9	279.6	265.1	277.0	282.8
<b>Interest Rates</b>															
30-Year Fixed Rate Mortgage (%)	3.5	3.7	4.4	4.3	4.4	4.2	4.2	4.6	4.9	5.0	5.2	5.3	4.0	4.3	5.0
10-Year Treasury Yield (%)	2.0	2.0	2.7	2.7	2.8	2.6	2.5	2.8	3.0	3.1	3.3	3.3	2.4	2.7	3.2
<b>Mortgage Originations</b>															
Total 1- to 4-Family (Bil \$)	524	537	401	293	226	267	274	240	271	288	295	276	1,755	1,007	1,130
Purchase	136	183	195	138	115	158	159	144	168	187	195	179	652	576	729
Refinance	388	354	206	155	111	109	115	96	103	101	100	97	1,103	431	401
Refinance Share (%)	74	66	51	53	49	41	42	40	38	35	34	35	63	43	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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