

# MBA Mortgage Finance Forecast

November 19, 2014

	2014				2015				2016							
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2013	2014	2015	2016
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	925	985	1,024	1,040	1,060	1,100	1,120	1,150	1,170	1,200	1,250	1,290	930	994	1,108	1,228
Single-Family	602	625	646	670	690	720	740	760	790	820	860	900	621	636	728	843
Two or More	323	360	378	370	370	380	380	390	380	380	390	390	309	358	380	385
Home Sales (SAAR, Thous)																
Total Existing Homes	4,603	4,867	5,120	4,964	5,026	5,113	5,213	5,258	5,243	5,303	5,470	5,601	5,073	4,889	5,153	5,404
New Homes	431	427	446	463	480	498	507	522	529	546	572	593	432	442	502	560
FHFA US House Price Index (YOY % Change)	4.4	4.4	4.3	4.0	3.6	3.3	3.2	3.0	2.5	2.4	2.8	2.9	4.8	4.0	3.0	2.9
Median Price of Total Existing Homes (Thous \$)	191.0	211.8	211.9	197.6	194.4	212.1	215.1	199.0	206.4	212.0	202.7	203.2	195.7	203.1	205.1	206.1
Median Price of New Homes (Thous \$)	273.5	282.4	277.0	274.1	277.4	288.6	285.9	279.2	282.4	283.7	284.9	286.4	265.1	277.0	282.8	284.3
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	4.4	4.2	4.1	4.1	4.4	4.6	5.0	5.1	5.2	5.3	5.5	5.8	4.0	4.2	4.8	5.4
10-Year Treasury Yield (%)	2.8	2.6	2.5	2.4	2.6	2.8	3.1	3.2	3.3	3.4	3.6	3.9	2.4	2.6	2.9	3.5
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	247	297	300	278	266	328	318	272	251	319	316	284	1,845	1,122	1,184	1,170
Purchase	124	179	185	150	144	204	211	174	154	224	221	192	734	638	733	791
Refinance	123	118	115	128	122	124	107	98	97	95	95	92	1,111	484	451	379
Refinance Share (%)	50	40	38	46	46	38	34	36	39	30	30	32	60	43	38	32

**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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