

MBA Mortgage Finance Forecast

February 23, 2018

	2017				2018				2019				2017	2018	2019	2020
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Housing Measures																
Housing Starts (SAAR, Thous)	1,238	1,167	1,172	1,251	1,260	1,290	1,300	1,305	1,340	1,370	1,390	1,405	1,207	1,289	1,376	1,438
Single-Family	839	825	848	890	890	910	920	935	950	980	1,000	1,015	851	914	986	1,063
Two or More	399	342	324	360	370	380	380	370	390	390	390	390	356	375	390	375
Home Sales (SAAR, Thous)																
Total Existing Homes	5,620	5,563	5,393	5,575	5,466	5,636	5,723	5,747	5,711	5,779	5,821	5,847	5,538	5,643	5,789	5,968
New Homes	617	605	603	670	628	641	644	654	654	666	671	676	624	642	667	696
FHFA US House Price Index (YOY % Change)	5.7	6.4	6.4	6.2	5.9	5.6	5.3	4.9	4.6	4.2	3.9	3.6	5.8	5.4	4.1	3.1
Median Price of Total Existing Homes (Thous \$)	230.7	253.6	252.9	246.6	248.1	253.4	253.4	250.4	255.1	260.0	261.4	258.7	245.9	251.3	258.8	266.1
Median Price of New Homes (Thous \$)	311.6	316.6	322.9	329.7	328.8	330.2	332.6	328.8	335.4	341.8	342.7	338.8	320.2	330.1	339.7	346.6
Interest Rates																
30-Year Fixed Rate Mortgage (%)	4.2	4.0	3.9	3.9	4.4	4.6	4.7	4.9	5.0	5.1	5.3	5.4	3.9	4.9	5.4	5.8
10-Year Treasury Yield (%)	2.4	2.3	2.2	2.4	2.8	3.0	3.1	3.2	3.2	3.3	3.4	3.5	2.4	3.2	3.5	3.9
Mortgage Originations																
Total 1- to 4-Family (Bil \$)	361	463	471	415	346	450	450	370	355	465	460	365	1,710	1,616	1,645	1,712
Purchase	212	316	320	262	218	345	350	270	255	365	360	270	1,110	1,183	1,250	1,317
Refinance	149	147	151	153	128	105	100	100	100	100	100	95	600	433	395	395
Refinance Share (%)	41	32	32	37	37	23	22	27	28	22	22	26	35	27	24	23
Mortgage Debt Outstanding																
1- to 4-Family (Bil \$)	9,770	9,840	9,930	10,010	10,090	10,180	10,280	10,370	10,460	10,560	10,670	10,760	9,770	9,840	9,930	10,010

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.

The 10-Year Treasury Yield and 30-Yr mortgage rate are the average for the quarter, but annual columns show Q4 values.

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.

The mortgage debt outstanding forecast is for 1-4 unit mortgage debt and excludes home equity loans. Annual MDO numbers reflect EOP values.

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