

# MBA Mortgage Finance Forecast

January 17, 2020

	2019				2020				2021								
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	2020	2021	2022
<b>Housing Measures</b>																	
Housing Starts (SAAR, Thous)	1,213	1,256	1,282	1,441	1,320	1,320	1,330	1,330	1,340	1,350	1,370	1,380	1,250	1,298	1,325	1,360	1,390
Single-Family	864	847	894	973	930	930	950	950	960	970	980	990	873	894	940	975	1,000
Two or More	349	409	388	468	390	390	380	380	380	380	390	390	377	404	385	385	390
<b>Home Sales (SAAR, Thous)</b>																	
Total Existing Homes	5,207	5,287	5,427	5,414	5,402	5,451	5,514	5,498	5,530	5,602	5,658	5,727	5,341	5,334	5,466	5,629	5,770
New Homes	669	661	699	723	720	735	742	741	745	752	756	763	615	688	734	754	768
FHFA US House Price Index (YOY % Change)	5.6	5.0	4.6	4.3	4.0	3.7	3.4	3.1	2.9	2.6	2.4	2.2	6.1	4.3	3.1	2.2	1.5
Median Price of Total Existing Homes (Thous \$)	253.0	276.8	276.9	270.9	272.2	275.4	277.1	273.0	277.7	281.9	285.0	289.0	257.3	269.4	274.4	283.4	291.7
Median Price of New Homes (Thous \$)	312.3	321.2	315.8	325.1	325.8	326.5	326.6	327.7	334.3	335.6	336.9	338.5	323.1	318.6	326.6	336.3	342.2
<b>Interest Rates</b>																	
30-Year Fixed Rate Mortgage (%)	4.4	4.0	3.7	3.7	3.7	3.7	3.7	3.7	3.8	3.8	3.9	3.9	4.8	3.7	3.7	3.9	4.1
10-Year Treasury Yield (%)	2.7	2.3	1.8	1.8	1.9	1.9	1.9	1.9	2.0	2.0	2.1	2.1	3.0	1.8	1.9	2.1	2.3
<b>Mortgage Originations</b>																	
Total 1- to 4-Family (Bil \$)	325	501	605	637	469	508	512	425	340	478	504	435	1,677	2,068	1,914	1,757	1,799
Purchase	228	355	375	314	245	360	380	320	235	370	390	330	1,209	1,272	1,305	1,325	1,370
Refinance	97	146	230	323	224	148	132	105	105	108	114	105	467	796	609	432	429
Refinance Share (%)	30	29	38	51	48	29	26	25	30	23	23	25	28	38	32	25	24
<b>Mortgage Debt Outstanding</b>																	
1- to 4-Family (Bil \$)	10,362	10,446	10,557	10,661	10,755	10,856	10,955	11,047	11,130	11,225	11,323	11,415	10,322	10,661	11,047	11,415	11,787

**Notes:**

Housing starts and home sales are seasonally adjusted.

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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