

# MBA Mortgage Finance Forecast

January 18, 2012

	2010				2011				2012				2013				2010	2011	2012	2013
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2010	2011	2012	2013
<b>Housing Measures</b>																				
Housing Starts (SAAR, Thous)	615	602	584	539	582	572	615	660	655	680	705	720	765	805	820	870	585	608	690	815
Single-Family	521	492	434	436	414	425	426	440	440	455	485	500	525	565	590	640	471	426	470	580
Two or More	94	110	150	102	168	147	190	220	215	225	220	220	240	240	230	230	114	181	220	235
Home Sales (SAAR, Thous)																				
Total Existing Homes	4,407	4,733	3,563	4,043	4,407	4,177	4,170	4,333	4,313	4,362	4,455	4,461	4,555	4,659	4,738	4,846	4,187	4,272	4,398	4,700
New Homes	360	335	291	300	299	309	297	304	298	300	318	330	355	378	397	425	322	302	311	389
FHFA US House Price Index (YOY % Change)	-6.4	-4.7	-1.3	-1.6	-3.2	-4.5	-4.0	-3.1	-2.1	-1.1	0.2	0.7	1.1	1.8	2.8	3.7	-1.6	-3.1	0.7	3.7
Median Price of Total Existing Homes (Thous \$)	166.4	176.6	176.9	169.9	157.9	168.7	169.2	171.0	170.6	172.6	174.0	173.0	176.8	181.1	177.6	177.9	172.4	166.7	172.5	178.4
Median Price of New Homes (Thous \$)	221.6	219.4	222.2	221.7	226.9	229.0	221.5	220.3	221.1	221.9	222.5	223.4	226.7	230.8	227.2	226.7	221.2	224.4	222.2	227.8
<b>Interest Rates</b>																				
30-Year Fixed Rate Mortgage (%)	5.0	4.9	4.4	4.4	4.8	4.7	4.3	4.1	4.1	4.3	4.3	4.4	4.6	4.7	4.8	4.9	4.7	4.5	4.3	4.8
10-Year Treasury Yield (%)	3.7	3.5	2.8	2.9	3.5	3.2	2.4	2.0	2.0	2.3	2.4	2.5	2.7	2.8	3.0	3.0	3.2	2.8	2.3	2.9
<b>Mortgage Originations</b>																				
Total 1- to 4-Family (Bil \$)	342	367	401	462	302	290	309	361	302	257	236	197	222	305	284	230	1,572	1,262	992	1,042
Purchase	120	147	104	102	106	110	108	80	84	106	113	107	131	198	193	161	472	404	410	684
Refinance	222	220	297	360	196	180	201	281	218	151	123	91	91	107	91	69	1,099	858	583	358
Refinance Share (%)	65	60	74	78	65	62	65	78	72	59	52	46	41	35	32	30	70	68	59	34
ARM Share (%)	5	5	6	5	6	7	4	4	5	5	6	6	6	7	7	7	5	5	5	7

**Notes:**

Housing starts and home sales are seasonally adjusted at annual rate.

Total existing home sales include condos and co-ops.

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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