

MBA Mortgage Finance Forecast

June 17, 2020

	2019				2020				2021								
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	2020	2021	2022
Housing Measures																	
Housing Starts (SAAR, Thous)	1,204	1,257	1,288	1,433	1,487	1,000	1,080	1,140	1,180	1,250	1,290	1,320	1,250	1,295	1,177	1,260	1,403
Single-Family	859	850	897	964	965	720	800	840	860	900	930	950	873	893	831	910	1,023
Two or More	345	407	390	469	522	280	280	300	320	350	360	370	377	403	346	350	380
Home Sales (SAAR, Thous)																	
Total Existing Homes	5,207	5,287	5,410	5,420	5,483	4,736	5,181	5,427	5,491	5,580	5,656	5,801	5,341	5,331	5,207	5,632	5,930
New Homes	669	661	699	710	715	632	673	715	709	721	725	749	615	685	684	726	786
FHFA US House Price Index (YOY % Change)	5.5	5.1	4.8	5.1	5.0	4.7	4.3	4.0	3.7	3.4	3.1	2.9	6.1	5.1	4.0	2.9	2.2
Median Price of Total Existing Homes (Thous \$)	253.0	276.8	276.9	272.3	272.4	288.7	290.9	284.2	289.0	292.5	296.0	293.9	257.3	269.7	284.1	292.8	296.5
Median Price of New Homes (Thous \$)	312.3	321.2	317.0	326.6	329.0	332.3	332.8	338.8	339.3	341.6	344.1	347.5	323.1	319.3	333.2	343.1	346.5
Interest Rates																	
30-Year Fixed Rate Mortgage (%)	4.4	4.0	3.7	3.7	3.5	3.3	3.4	3.4	3.3	3.3	3.5	3.5	4.8	3.7	3.4	3.5	3.7
10-Year Treasury Yield (%)	2.7	2.3	1.8	1.8	1.4	0.8	0.9	1.0	1.0	1.0	1.2	1.3	3.0	1.8	1.0	1.3	1.8
Mortgage Originations																	
Total 1- to 4-Family (Bil \$)	325	501	651	696	563	868	695	525	489	561	554	480	1,677	2,173	2,651	2,084	1,907
Purchase	228	355	375	314	257	348	380	315	302	379	392	332	1,209	1,272	1,300	1,405	1,478
Refinance	97	146	276	382	306	520	315	210	187	182	162	148	467	901	1,351	679	429
Refinance Share (%)	30	29	42	55	54	60	45	40	38	32	29	31	28	41	51	33	22
Mortgage Debt Outstanding																	
1- to 4-Family (Bil \$)	10,362	10,446	10,574	10,677	10,780	10,871	10,977	11,069	11,165	11,277	11,392	11,506	10,322	10,677	11,069	11,506	11,999

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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