

MBA Mortgage Finance Forecast

May 9, 2006

	2005				2006				2007				2005	2006	2007
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Housing Measures (Thous)															
Housing Starts	2,083	2,044	2,101	2,059	2,131	1,937	1,850	1,826	1,858	1,868	1,875	1,879	2,068	1,936	1,870
Single-Family	1,709	1,693	1,747	1,716	1,749	1,612	1,529	1,502	1,525	1,527	1,525	1,530	1,716	1,598	1,527
Two or More	374	351	354	343	382	325	321	324	333	341	350	349	352	338	343
Home Sales															
Total Existing Homes	6,837	7,223	7,240	6,897	6,796	6,607	6,466	6,428	6,364	6,336	6,349	6,333	7,075	6,574	6,345
New Homes	1,249	1,287	1,298	1,283	1,159	1,172	1,170	1,161	1,132	1,132	1,130	1,134	1,285	1,166	1,132
Median Price of Total Existing Homes (Thous \$)	199.7	220.0	227.3	225.3	218.7	234.3	238.2	240.1	239.1	242.7	245.8	242.2	219.6	232.8	242.5
Median Price of New Homes (Thous \$)	229.9	230.2	236.6	240.1	234.6	242.0	249.3	250.3	248.9	252.0	254.6	252.3	238.1	244.1	252.0
Interest Rates (%)															
30-Year Fixed Rate Mortgage	5.8	5.7	5.8	6.2	6.2	6.6	6.8	6.9	6.9	6.9	6.9	6.9	5.9	6.6	6.9
10-Year Treasury Yield	4.3	4.2	4.2	4.5	4.6	5.1	5.2	5.2	5.2	5.2	5.2	5.2	4.3	5.0	5.2
1-Year Treasury ARM	4.2	4.2	4.5	5.1	5.3	5.5	5.6	5.6	5.6	5.7	5.7	5.7	4.5	5.5	5.7
1-Year Treasury Yield	3.1	3.3	3.8	4.3	4.6	5.0	5.1	5.1	5.1	5.1	5.1	5.1	3.6	5.0	5.1
Mortgage Originations															
Total 1- to 4-Family (Bil \$)	618	789	826	675	545	705	661	551	480	656	664	553	2,907*	2,462	2,353
Purchase	291	434	438	349	300	423	416	353	312	426	425	354	1,511	1,492	1,517
Refinance	328	355	388	326	245	282	244	198	168	229	239	199	1,397	970	836
Refinance Share (%)	53	45	47	48	45	40	37	36	35	35	36	36	48	40	36
ARM Share (%)	32	33	28	29	28	27	26	26	25	26	25	25	30	27	25

Notes:

* Revision reflects data from the MBA Survey of Mortgage Originations: Second Half 2005.

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.

Refinance share is percent of total dollar volume of closed loans.

ARM share is percent of total number of closed conventional purchase loans.

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