

# MBA Mortgage Finance Forecast

October 13, 2009

	2009				2010				2011				2012				2008	2009	2010	2011	2012
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
<b>Housing Measures (Thous)</b>																					
Housing Starts	528	540	590	637	674	725	779	823	893	988	1,083	1,135	1,211	1,299	1,386	1,451	906	574	750	1,025	1,337
Single-Family	358	425	485	518	553	595	629	663	723	808	893	935	991	1,059	1,126	1,171	622	447	610	840	1,087
Two or More	169	115	105	119	121	130	150	160	170	180	190	200	220	240	260	280	284	127	140	185	250
<b>Home Sales</b>																					
Total Existing Homes	4,583	4,757	5,232	5,478	5,481	5,498	5,611	5,712	5,823	6,043	6,061	6,143	6,208	6,273	6,353	6,386	4,913	5,012	5,575	6,017	6,305
New Homes	338	367	429	460	466	471	490	508	542	590	640	665	697	733	771	796	485	398	484	609	749
Median Price of Total Existing Homes (Thous \$)	167.6	174.4	180.7	166.0	164.2	175.0	185.1	170.0	167.2	179.4	190.7	175.4	183.2	189.9	186.1	182.6	198.1	172.2	173.6	178.2	185.5
Median Price of New Homes (Thous \$)	207.8	217.0	209.9	209.3	205.2	215.4	213.4	214.2	210.4	221.7	219.7	219.9	224.3	227.5	225.0	229.0	231.9	211.0	212.0	217.9	226.4
<b>Interest Rates (%)</b>																					
30-Year Fixed Rate Mortgage	5.1	5.0	5.2	5.0	5.2	5.3	5.4	5.6	5.8	6.0	6.1	6.1	6.1	6.2	6.3	6.4	6.0	5.1	5.4	6.0	6.3
10-Year Treasury Yield	2.7	3.3	3.5	3.3	3.4	3.5	3.6	3.8	4.0	4.2	4.3	4.3	4.4	4.5	4.6	4.7	3.7	3.2	3.6	4.2	4.6
1-Year Treasury ARM	4.9	4.8	4.7	4.7	4.7	4.7	4.8	4.8	5.0	5.2	5.3	5.5	5.7	5.8	6.0	6.2	5.2	4.8	4.8	5.3	5.9
1-Year Treasury Yield	0.6	0.5	0.4	0.3	0.3	0.4	0.5	0.6	0.9	1.2	1.5	1.8	2.1	2.5	2.8	3.1	1.8	0.4	0.4	1.4	2.6
<b>Mortgage Originations</b>																					
Total 1- to 4-Family (Bil \$)	410	626	515	413	354	459	415	329	304	418	413	348	317	441	435	357	1,509	1,963	1,556	1,482	1,550
Purchase	123	200	221	173	149	229	241	184	161	259	268	205	190	286	278	225	731	718	803	894	980
Refinance	287	426	293	239	205	229	174	145	143	159	144	143	127	154	156	132	777	1,245	754	589	570
Refinance Share (%)	70	68	57	58	58	50	42	44	47	38	35	41	40	35	36	37	52	63	48	40	37

**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.

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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