

# MBA Mortgage Finance Forecast

July 21, 2021

	2020				2021				2022				2020	2021	2022	2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
<b>Housing Measures</b>																
Housing Starts (SAAR, Thous)	1,485	1,086	1,440	1,575	1,599	1,568	1,548	1,563	1,601	1,623	1,669	1,702	1,397	1,570	1,649	1,740
Single-Family	981	774	1,041	1,220	1,156	1,104	1,144	1,181	1,236	1,289	1,354	1,402	1,004	1,146	1,320	1,450
Two or More	504	312	399	356	443	464	404	382	365	334	315	300	393	423	329	290
Home Sales (SAAR, Thous)																
Total Existing Homes	5,483	4,313	6,137	6,777	6,303	5,813	6,087	6,297	6,286	6,348	6,429	6,466	5,678	6,125	6,383	6,579
New Homes	701	703	973	873	959	799	870	915	944	988	1,040	1,085	813	886	1,014	1,121
FHFA US House Price Index (YOY % Change)	6.2	5.7	8.0	10.9	12.7	10.2	10.4	10.3	10.0	9.5	9.0	8.4	10.9	10.3	8.4	6.0
Median Price of Total Existing Homes (Thous \$)	272.4	288.3	309.2	311.7	313.5	345.6	340.9	330.4	326.0	326.3	317.9	314.5	295.4	332.6	321.2	313.7
Median Price of New Homes (Thous \$)	329.6	322.8	333.2	354.3	353.4	361.2	361.3	356.4	357.9	360.0	356.7	353.5	335.0	358.1	357.0	353.9
<b>Interest Rates</b>																
30-Year Fixed Rate Mortgage (%)	3.5	3.2	3.0	2.8	2.9	3.0	3.2	3.4	3.8	4.0	4.2	4.3	2.8	3.4	4.3	4.9
10-Year Treasury Yield (%)	1.4	0.7	0.6	0.9	1.3	1.6	1.8	2.0	2.1	2.3	2.4	2.5	0.9	2.0	2.5	3.1
<b>Mortgage Originations</b>																
Total 1- to 4-Family (Bil \$)	563	928	1,076	1,261	1,094	1,050	825	605	516	623	620	602	3,828	3,574	2,361	2,378
Purchase	257	348	418	410	320	460	423	433	362	469	463	446	1,433	1,636	1,740	1,775
Refinance	306	580	658	851	774	590	402	172	154	154	157	156	2,395	1,938	621	603
Refinance Share (%)	54	63	61	67	71	56	49	28	30	25	25	26	63	54	26	25
FHA Originations (Bil \$)													350	274	179	162
Total 1- to 4-Family (000s loans)	1,869	3,052	3,497	3,578	3,146	3,116	2,385	1,706	1,395	1,732	1,676	1,569	11,996	10,352	6,372	6,013
Purchase	891	1,203	1,427	1,343	974	1,428	1,271	1,248	1,002	1,329	1,277	1,187	4,864	4,921	4,795	4,579
Refinance	978	1,848	2,070	2,235	2,172	1,688	1,114	457	393	402	399	383	7,132	5,431	1,577	1,434
Refinance Share (%)	52	61	59	62	69	54	47	27	28	23	24	24	59	52	25	24
<b>Mortgage Debt Outstanding</b>																
1- to 4-Family (Bil \$)	10,775	10,875	10,984	11,135	11,297	11,442	11,596	11,755	11,916	12,081	12,254	12,424	11,135	11,755	12,424	13,100

**Notes:**

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

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 Purchase-Only 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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