

Housing Forecast: July 2014

	2013				2014				2015				2012	2013	2014	2015
	13.1	13.2	13.3	13.4	14.1	14.2	14.3	14.4	15.1	15.2	15.3	15.4				
Housing Starts and Sales (SAAR, Thous. Units)																
Housing Starts	947	865	882	1,025	925	1,010	1,060	1,220	1,227	1,260	1,289	1,318	781	925	1,054	1,273
Single-Family (1 Unit)	627	596	598	663	602	640	700	840	875	900	925	950	535	618	696	913
<i>Percent Change: Year-over-Year</i>													24.3%	15.4%	12.6%	31.2%
Multifamily (2+ Units)	320	268	284	362	323	370	360	380	352	360	364	368	245	307	358	361
New Single-Family Home Sales	447	447	382	446	433	463	487	559	579	597	615	633	368	429	486	606
<i>Percent Change: Year-over-Year</i>													20.3%	16.6%	13.2%	24.7%
Total Existing Home Sales (Single-Family, Condos and Co-Ops)	4,927	5,100	5,323	4,943	4,603	4,836	5,177	5,251	5,288	5,183	5,208	5,231	4,660	5,090	4,967	5,228
<i>Percent Change: Year-over-Year</i>													9.4%	9.2%	-2.4%	5.3%
Total Home Sales (New + Existing)	5,374	5,547	5,705	5,389	5,036	5,299	5,664	5,811	5,868	5,780	5,823	5,864	5,028	5,519	5,452	5,833
<i>Percent Change: Year-over-Year</i>													10.1%	9.8%	-1.2%	7.0%
Home Prices (NSA, Thous. \$)																
Median New	258	268	262	272	275	284	276	288	290	296	288	300	245	269	281	294
Median Total Existing	176	203	207	197	191	216	218	208	201	225	227	217	177	197	208	218
FHFA Purchase-Only Index (Percent Change: Quarterly YoY, Annual Q4/Q4)	7.0%	7.6%	8.4%	7.6%	6.6%	5.2%	4.6%	5.6%	5.7%	4.5%	4.3%	4.3%	5.5%	7.6%	5.6%	4.3%
Mortgage Rates (Percent)																
30-Year Fixed Rate Mortgage	3.5	3.7	4.4	4.3	4.4	4.2	4.2	4.3	4.4	4.5	4.6	4.7	3.7	4.0	4.3	4.5
5-Year Adjustable Rate Mortgage	2.6	2.7	3.2	3.0	3.1	3.0	3.0	3.1	3.3	3.4	3.5	3.7	2.8	2.9	3.1	3.5
1-Year Adjustable Rate Mortgage	2.6	2.6	2.7	2.6	2.5	2.4	2.4	2.5	2.6	2.8	2.9	3.0	2.7	2.6	2.5	2.8
Single-Family Mortgage Originations (NSA, Bil. \$, 1-4 Units)																
Mortgage Originations	532	572	450	358	237	317	317	254	238	297	293	269	2,154	1,913	1,125	1,097
Purchase	144	200	214	174	123	188	203	182	158	226	225	199	614	732	697	808
Refinance	388	372	236	185	114	129	114	72	80	71	67	70	1,540	1,181	429	289
Refinance Share (%)	73%	65%	52%	52%	48%	41%	36%	28%	34%	24%	23%	26%	72%	62%	38%	26%
Liquidations	563	578	424	375	262	274	265	250	231	260	249	233	2,291	1,940	1,051	973
Mortgage Debt Outstanding (NSA, Bil. \$)																
MDO Single-Family First Lien (1-4 Units)	9,180	9,175	9,201	9,184	9,160	9,203	9,255	9,258	9,266	9,303	9,347	9,383	9,211	9,184	9,258	9,383
<i>Percent Change: Quarterly Annualized Rate, Annual Q4/Q4</i>	-1.3%	-0.2%	1.1%	-0.7%	-1.1%	1.9%	2.3%	0.2%	0.3%	1.6%	1.9%	1.6%	-1.5%	-0.3%	0.8%	1.3%
MDO Total Single-Family (1-4 Units)	9,929	9,906	9,916	9,887	9,851	9,893	9,943	9,942	9,948	9,986	10,031	10,069	9,981	9,887	9,942	10,069
<i>Percent Change: Quarterly Annualized Rate, Annual Q4/Q4</i>	-2.1%	-0.9%	0.4%	-1.2%	-1.4%	1.7%	2.1%	-0.1%	0.3%	1.5%	1.8%	1.5%	-2.2%	-0.9%	0.6%	1.3%
Adjustable Rate Mortgage Share of Conventional Mortgage Applications (%)	5%	6%	7%	8%	9%	10%	10%	11%	12%	13%	14%	14%	5%	7%	10%	13%

July 10, 2014

Note: Interest rate forecasts are based on rates from June 30, 2014.

Note: All mortgage originations data are Fannie Mae estimates as there is no universal source for market-wide originations data.

Note: Unshaded areas denote actuals. Shaded areas denote forecasts.

Sources: Actuals: Census Bureau, National Association of REALTORS®, Federal Housing Finance Agency, Freddie Mac, Federal Reserve Board. Forecasts: Fannie Mae Economic & Strategic Research

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