

Housing Forecast: December 2014

	----- 2014 -----				----- 2015 -----				2012	2013	2014	2015
	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	925	985	1,033	1,040	1,115	1,145	1,190	1,230	781	925	996	1,170
Single-Family (1 Unit)	602	625	654	680	730	750	800	850	535	618	640	783
<i>Percent Change: Year-over-Year</i>									24.3%	15.4%	3.7%	22.2%
Multifamily (2+ Units)	323	360	379	360	385	395	390	380	245	307	356	388
New Single-Family Home Sales	431	427	436	468	489	502	538	563	368	429	441	523
<i>Percent Change: Year-over-Year</i>									20.3%	16.6%	2.7%	18.7%
Total Existing Home Sales (Single-Family, Condos and Co-Ops)	4,603	4,867	5,120	5,122	5,091	5,128	5,142	5,190	4,660	5,090	4,928	5,138
<i>Percent Change: Year-over-Year</i>									9.4%	9.2%	-3.2%	4.3%
Total Home Sales (New + Existing)	5,034	5,294	5,556	5,591	5,579	5,630	5,680	5,754	5,028	5,519	5,369	5,661
<i>Percent Change: Year-over-Year</i>									10.1%	9.8%	-2.7%	5.4%
Home Prices (NSA, Thous. \$)												
Median New	274	282	277	288	289	296	290	302	245	269	280	294
Median Total Existing	191	212	216	209	202	222	227	219	177	197	207	217
FHFA Purchase-Only Index (Percent Change: Quarterly YoY, Annual Q4/Q4)	6.9%	5.6%	4.6%	5.7%	5.7%	5.0%	5.2%	4.9%	5.3%	7.7%	5.7%	4.9%
Mortgage Rates (Percent)												
30-Year Fixed Rate Mortgage	4.4	4.2	4.1	4.0	4.0	4.1	4.2	4.3	3.7	4.0	4.2	4.1
5-Year Adjustable Rate Mortgage	3.1	3.0	3.0	3.0	3.0	3.2	3.3	3.4	2.8	2.9	3.0	3.2
1-Year Adjustable Rate Mortgage	2.5	2.4	2.4	2.4	2.5	2.6	2.7	2.8	2.7	2.6	2.4	2.7
Single-Family Mortgage Originations (NSA, Bil. \$, 1-4 Units)												
Mortgage Originations	240	301	294	289	257	303	298	276	2,154	1,866	1,124	1,133
Purchase	123	186	189	174	137	198	200	178	614	743	672	714
Refinance	116	116	105	115	120	105	97	98	1,540	1,123	452	420
Refinance Share (%)	49%	38%	36%	40%	47%	35%	33%	35%	72%	60%	40%	37%
Liquidations	262	301	296	282	289	284	265	259	2,290	1,888	1,141	1,098
Mortgage Debt Outstanding (NSA, Bil. \$)												
MDO Single-Family First Lien (1-4 Units)	9,170	9,170	9,168	9,174	9,142	9,161	9,193	9,210	9,214	9,192	9,174	9,210
<i>Percent Change: Quarterly Annualized Rate, Annual Q4/Q4</i>	-1.0%	0.0%	-0.1%	0.3%	-1.4%	0.8%	1.4%	0.7%	-1.5%	-0.2%	-0.2%	0.4%
MDO Total Single-Family (1-4 Units)	9,860	9,855	9,848	9,850	9,815	9,837	9,873	9,893	9,984	9,895	9,850	9,893
<i>Percent Change: Quarterly Annualized Rate, Annual Q4/Q4</i>	-1.4%	-0.2%	-0.3%	0.1%	-1.4%	0.9%	1.5%	0.8%	-2.2%	-0.9%	-0.5%	0.4%
Adjustable Rate Mortgage Share of Conventional Mortgage Applications (%)	9%	10%	9%	9%	8%	9%	10%	10%	5%	7%	9%	9%

December 10, 2014

Note: Interest rate forecasts are based on rates from November 28, 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 Group

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