

Housing Forecast: January 2016

	----- 2015 -----				----- 2016 -----				----- 2017 -----				2014	2015	2016	2017
	15.1	15.2	15.3	15.4	16.1	16.2	16.3	16.4	17.1	17.2	17.3	17.4				
Housing Starts and Sales (SAAR, Thous. Units)																
Housing Starts	978	1,158	1,158	1,125	1,180	1,215	1,251	1,281	1,315	1,337	1,376	1,391	1,003	1,105	1,232	1,355
Single-Family (1 Unit)	643	706	745	735	770	810	846	881	915	937	956	971	648	707	827	945
<i>Percent Change: Year-over-Year</i>													4.9%	9.2%	16.9%	14.3%
Multifamily (2+ Units)	335	451	414	390	410	405	405	400	400	400	420	420	355	398	405	410
New Single-Family Home Sales	517	497	483	484	513	547	567	593	607	623	638	647	437	496	555	629
<i>Percent Change: Year-over-Year</i>													1.9%	13.5%	11.9%	13.3%
Total Existing Home Sales (Single-Family, Condos and Co-Ops)	4,973	5,297	5,477	5,060	5,198	5,332	5,421	5,466	5,491	5,504	5,551	5,569	4,940	5,202	5,354	5,529
<i>Percent Change: Year-over-Year</i>													-2.9%	5.3%	2.9%	3.3%
Total Home Sales (New + Existing)	5,490	5,794	5,960	5,544	5,711	5,879	5,989	6,059	6,097	6,127	6,189	6,216	5,377	5,698	5,909	6,157
<i>Percent Change: Year-over-Year</i>													-2.6%	6.0%	3.7%	4.2%
Home Prices (NSA, Thous. \$)																
Median New	293	290	302	317	308	303	316	333	323	315	328	345	283	300	315	328
Median Total Existing	203	228	227	218	214	238	237	229	224	248	247	238	208	219	230	239
FHFA Purchase-Only Index (% Change: Quarterly YoY, Annual Q4/Q4)	5.3%	5.6%	5.7%	5.1%	5.1%	4.4%	4.6%	5.2%	5.0%	4.3%	4.0%	3.8%	5.0%	5.1%	5.2%	3.8%
Mortgage Rates (Percent)																
30-Year Fixed Rate Mortgage	3.7	3.8	4.0	3.9	4.0	4.1	4.1	4.2	4.2	4.2	4.3	4.3	4.2	3.9	4.1	4.2
5-Year Adjustable Rate Mortgage	2.9	2.9	2.9	3.0	3.2	3.2	3.3	3.4	3.5	3.5	3.6	3.7	3.0	2.9	3.3	3.6
1-Year Adjustable Rate Mortgage	2.4	2.5	2.6	2.6	2.8	2.8	2.9	3.0	3.1	3.1	3.2	3.3	2.4	2.5	2.9	3.2
Single-Family Mortgage Originations (NSA, Bil. \$, 1-4 Units)																
Mortgage Originations	384	499	427	362	300	377	372	347	288	377	378	354	1,301	1,673	1,396	1,397
Purchase	156	261	263	216	170	264	268	244	187	279	281	256	783	895	946	1,003
Refinance	229	239	164	146	129	113	104	103	101	97	97	98	518	778	450	393
Refinance Share (%)	59%	48%	38%	40%	43%	30%	28%	30%	35%	26%	26%	28%	40%	46%	32%	28%

January 11, 2016

Note: Interest rate forecasts are based on rates from December 31, 2015.

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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