

## Housing Forecast: May 2015

	2014				2015				2016				2014	2015	2016
	14.1	14.2	14.3	14.4	15.1	15.2	15.3	15.4	16.1	16.2	16.3	16.4			
<b>Housing Starts and Sales (SAAR, Thous. Units)</b>															
Housing Starts	925	985	1,030	1,063	969	1,055	1,170	1,225	1,245	1,315	1,350	1,365	1,003	1,105	1,319
Single-Family (1 Unit)	602	625	652	705	636	705	780	830	850	920	950	965	648	738	921
<i>Percent Change: Year-over-Year</i>													4.9%	13.9%	24.9%
Multifamily (2+ Units)	323	360	378	358	333	350	390	395	395	395	400	400	355	367	398
New Single-Family Home Sales	431	427	434	471	513	511	534	560	574	619	640	652	436	529	621
<i>Percent Change: Year-over-Year</i>													1.6%	21.4%	17.3%
Total Existing Home Sales (Single-Family, Condos and Co-Ops)	4,677	4,887	5,057	5,060	4,967	5,160	5,166	5,172	5,226	5,258	5,266	5,324	4,940	5,116	5,268
<i>Percent Change: Year-over-Year</i>													-2.9%	3.6%	3.0%
Total Home Sales (New + Existing)	5,108	5,314	5,491	5,531	5,480	5,671	5,700	5,732	5,800	5,876	5,907	5,976	5,376	5,646	5,890
<i>Percent Change: Year-over-Year</i>													-2.6%	5.0%	4.3%
<b>Home Prices (NSA, Thous. \$)</b>															
Median New	274	282	278	301	284	291	287	314	297	304	300	327	284	294	307
Median Total Existing	191	212	216	208	204	219	224	216	213	228	233	225	208	216	225
FHFA Purchase-Only Index (Percent Change: Quarterly YoY, Annual Q4/Q4)	6.9%	5.6%	4.7%	4.9%	4.3%	3.7%	3.8%	4.5%	5.1%	4.4%	4.4%	4.2%	4.9%	4.5%	4.2%
<b>Mortgage Rates (Percent)</b>															
30-Year Fixed Rate Mortgage	4.4	4.2	4.1	4.0	3.7	3.7	3.8	3.9	4.0	4.1	4.1	4.2	4.2	3.8	4.1
5-Year Adjustable Rate Mortgage	3.1	3.0	3.0	3.0	2.9	2.9	3.0	3.1	3.2	3.4	3.5	3.5	3.0	3.0	3.4
1-Year Adjustable Rate Mortgage	2.5	2.4	2.4	2.4	2.4	2.5	2.6	2.7	2.8	2.9	3.0	3.1	2.4	2.6	3.0
<b>Single-Family Mortgage Originations (NSA, Bil. \$, 1-4 Units)</b>															
Mortgage Originations	240	312	336	296	340	418	369	333	244	315	318	302	1,184	1,460	1,179
Purchase	123	190	194	169	150	213	209	188	144	222	226	207	676	759	799
Refinance	116	122	142	127	190	205	160	145	101	93	92	95	508	701	381
Refinance Share (%)	49%	39%	42%	43%	56%	49%	43%	44%	41%	29%	29%	31%	43%	48%	32%
Liquidations	260	315	317	284	325	340	318	315	210	251	247	266	1,176	1,298	974
<b>Mortgage Debt Outstanding (NSA, Bil. \$)</b>															
MDO Single-Family First Lien (1-4 Units)	9,161	9,159	9,177	9,190	9,205	9,282	9,333	9,352	9,386	9,450	9,521	9,557	9,190	9,352	9,557
<i>Percent Change: Quarterly Annualized Rate, Annual Q4/Q4</i>	-0.9%	-0.1%	0.8%	0.5%	0.7%	3.4%	2.2%	0.8%	1.5%	2.8%	3.0%	1.5%	0.1%	1.8%	2.2%
MDO Total Single-Family (1-4 Units)	9,851	9,843	9,857	9,862	9,878	9,963	10,020	10,041	10,081	10,152	10,231	10,272	9,862	10,041	10,272
<i>Percent Change: Quarterly Annualized Rate, Annual Q4/Q4</i>	-1.3%	-0.4%	0.6%	0.2%	0.7%	3.5%	2.3%	0.9%	1.6%	2.9%	3.1%	1.6%	-0.2%	1.8%	2.3%
Adjustable Rate Mortgage Share of Conventional Mortgage Applications (%)	9%	10%	9%	9%	7%	8%	8%	8%	9%	9%	9%	9%	9%	8%	9%

May 11, 2015

Note: Interest rate forecasts are based on rates from April 30, 2015.

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 (ESR) group

Opinions, analyses, estimates, forecasts, and other views of Fannie Mae's ESR group included in these materials should not be construed as indicating

Fannie Mae's business prospects or expected results, are based on a number of assumptions, and are subject to change without notice. How this information affects Fannie Mae will depend

on many factors. Although the ESR group bases its opinions, analyses, estimates, forecasts, and other views on information it considers reliable, it does not guarantee that the information provided

in these materials is accurate, current or suitable for any particular purpose. Changes in the assumptions or the information underlying these views could produce materially different results.

The analyses, opinions, estimates, forecasts, and other views published by the ESR group represent the views of that group as of the date indicated and do not necessarily represent the views

of Fannie Mae or its management.