

Housing Forecast: September 2010

	2009				2010				2011				2012				2009	2010	2011	2012
	09.1	09.2	09.3	09.4	10.1	10.2	10.3	10.4	11.1	11.2	11.3	11.4	12.1	12.2	12.3	12.4				
Housing Starts and Sales (saar, thous.)																				
Housing Starts	530	537	586	565	617	601	523	567	637	697	786	852	937	1,050	1,170	1,265	554	577	743	1,106
Single-Family (1 unit)	362	423	496	488	524	491	398	435	505	555	630	680	742	830	930	1,005	445	462	593	877
percent change																	-28.5%	3.8%	28.2%	48.0%
Multifamily (2+ units)	168	114	90	76	93	110	125	132	132	142	156	172	195	220	240	260	109	115	150	229
New Home Sales	353	368	401	373	360	337	290	328	358	393	443	478	521	582	651	703	374	329	418	614
percent change																	-22.9%	-12.1%	27.2%	47.0%
Total Existing Home Sales	4,610	4,780	5,280	5,970	5,140	5,607	4,065	4,354	4,767	4,804	4,955	5,093	4,990	5,109	5,185	5,222	5,156	4,791	4,905	5,126
percent change																	4.9%	-7.1%	2.4%	4.5%
Total Home Sales (new + existing)	4,963	5,148	5,681	6,343	5,500	5,944	4,355	4,681	5,126	5,197	5,398	5,571	5,512	5,691	5,836	5,925	5,530	5,120	5,323	5,741
percent change																	2.4%	-7.4%	4.0%	7.9%
Home Prices (NSA, thous. \$)																				
Median New	207.8	218.7	212.6	218.8	221.6	217.7	211.3	218.8	223.9	214.4	209.5	218.5	225.6	218.1	215.0	226.2	215.6	217.4	216.6	221.2
Median Total Existing	167.6	174.4	178.1	170.8	166.4	176.6	177.0	170.8	168.1	174.0	175.5	170.6	169.3	176.9	180.2	176.6	172.5	172.7	172.0	175.7
FHFA Index (YOY % change Purchase Only)	-7.1%	-5.9%	-3.8%	-1.5%	-3.2%	-1.6%	-2.3%	0.5%	1.8%	-0.3%	1.3%	0.6%	2.4%	2.4%	3.1%	3.7%	-1.5%	0.5%	0.6%	3.7%
Interest Rates, Percent																				
Yield on 10-yr Treasury Notes (%)	2.74	3.31	3.52	3.46	3.7	3.5	2.6	2.5	2.5	2.6	2.7	2.8	2.8	2.9	3.0	3.0	3.3	3.1	2.7	2.9
30-year fixed mortgage rate (%)	5.06	5.03	5.16	4.92	5.0	4.9	4.4	4.2	4.2	4.2	4.2	4.3	4.3	4.4	4.5	4.5	5.0	4.6	4.2	4.4
1-year mortgage rate (%)	4.88	4.83	4.72	4.43	4.3	4.0	3.6	3.3	3.3	3.3	3.3	3.3	3.3	3.5	3.5	3.6	4.7	3.8	3.3	3.5
Originations (NSA, bil. \$)																				
Mortgage Originations	476	596	444	406	303	349	363	484	329	316	303	266	230	318	325	299	1,922	1,499	1,215	1,173
Purchase	111	157	177	161	105	174	130	118	112	182	190	170	145	220	230	206	606	527	653	800
Refi	365	439	267	245	197	175	234	366	218	134	113	96	85	98	95	94	1,316	972	561	373
Refi Share (%)	77%	74%	60%	60%	65%	50%	64%	76%	66%	42%	37%	36%	37%	31%	29%	31%	68%	65%	46%	32%
Liquidations	469	623	509	451	393	388	424	492	437	386	347	322	307	333	328	306	2,052	1,697	1,491	1,275
Mortgage Debt Outstanding																				
MDO Single-Family First Lien	9,963	9,937	9,872	9,827	9,737	9,698	9,637	9,629	9,521	9,452	9,408	9,352	9,275	9,260	9,257	9,250	9,827	9,629	9,352	9,250
% Change	0.3%	-1.1%	-2.6%	-1.8%	-3.6%	-1.6%	-2.5%	-0.4%	-4.4%	-2.9%	-1.9%	-2.3%	-3.3%	-0.6%	-0.1%	-0.3%	-1.3%	-2.0%	-2.9%	-1.1%
MDO Total Single-Family	11,060	11,012	10,923	10,859	10,749	10,706	10,639	10,630	10,511	10,435	10,386	10,325	10,239	10,223	10,219	10,212	10,859	10,630	10,325	10,212
% Change	-0.4%	-1.7%	-3.2%	-2.4%	-4.0%	-1.6%	-2.5%	-0.4%	-4.4%	-2.9%	-1.9%	-2.3%	-3.3%	-0.6%	-0.1%	-0.3%	-1.9%	-2.1%	-2.9%	-1.1%
ARM Share of Applications (% of conv#)	2.5%	2.9%	6.3%	5.5%	4.9%	6.0%	5.6%	6.1%	7.2%	9.4%	10.1%	10.4%	10.7%	12.1%	12.8%	13.1%	6%	6%	7%	11%

September 10, 2010

Notes: Interest rate forecasts are based on rates from August 31, 2010.

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

Source: Actuals: Census, Bureau of Labor Statistics, Federal Reserve, Mortgage Bankers Association, National Association of REALTORS®. FHFA; Forecasts: Fannie Mae Economics and Mortgage Market Analysis

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