

**Housing Forecast: February 2011**

	2009				2010				2011				2012				2009	2010	2011	2012	2013
	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					
<b>Housing Starts and Sales (saar, Thous)</b>																					
Housing Starts	530	537	586	565	617	602	588	538	585	640	731	812	890	995	1,110	1,213	554	588	692	1,052	1,464
Single-Family (1 unit)	362	423	496	488	524	491	435	436	465	500	575	640	695	775	870	953	445	471	545	823	1,164
percent change																	-28.5%	5.8%	15.7%	51.1%	41.4%
Multifamily (2+ units)	168	114	90	76	93	111	153	102	120	140	156	172	195	220	240	260	109	117	147	229	300
New Home Sales	353	368	401	373	360	335	291	296	334	343	395	440	468	524	591	648	375	321	378	558	796
percent change																	-22.7%	-14.5%	17.8%	47.6%	42.7%
Total Existing Home Sales	4,610	4,780	5,280	5,970	5,140	5,570	4,163	4,803	5,064	5,170	5,232	5,348	5,419	5,507	5,595	5,699	5,156	4,908	5,204	5,555	5,734
percent change																	4.9%	-4.8%	6.0%	6.8%	3.2%
Total Home Sales (new + existing)	4,963	5,148	5,681	6,343	5,500	5,905	4,455	5,100	5,398	5,513	5,627	5,788	5,887	6,031	6,185	6,347	5,531	5,229	5,582	6,113	6,529
percent change																	2.5%	-5.5%	6.7%	9.5%	6.8%
<b>Home Prices (NSA, thous. \$)</b>																					
Median New	207.8	218.7	212.6	218.8	221.6	219.4	222.2	219.5	218.1	211.9	218.3	217.8	218.2	214.1	222.0	222.9	216.7	221.9	216.5	219.3	230.1
Median Total Existing	167.6	174.4	178.1	170.8	166.4	176.6	177.0	169.8	163.7	170.6	173.9	168.4	163.8	172.4	176.8	172.4	172.5	173.0	169.2	171.3	179.8
FHFA Index (YOY % change Purchase Only)	-7.1%	-5.9%	-3.9%	-1.5%	-3.2%	-1.7%	-3.1%	-2.2%	-1.4%	-2.6%	-0.9%	-0.1%	1.8%	1.6%	2.3%	2.9%	-1.5%	-2.2%	-0.1%	2.9%	5.5%
<b>Interest Rates, Percent</b>																					
Yield on 10-yr Treasury Notes (%)	2.74	3.31	3.52	3.46	3.7	3.5	2.8	2.9	3.5	3.5	3.6	3.8	3.9	4.0	4.1	4.2	3.3	3.2	3.6	4.0	4.4
30-year fixed mortgage rate (%)	5.06	5.03	5.16	4.92	5.0	4.9	4.4	4.4	4.9	5.1	5.3	5.4	5.5	5.6	5.7	5.8	5.0	4.7	5.2	5.6	6.0
1-year mortgage rate (%)	4.88	4.83	4.72	4.43	4.3	4.0	3.6	3.3	3.4	3.6	3.7	3.8	4.0	4.1	4.2	4.4	4.7	3.8	3.7	4.2	4.7
<b>Originations (NSA, bil. \$)</b>																					
Mortgage Originations	475	596	425	421	303	340	413	475	269	265	269	231	211	304	323	290	1,917	1,530	1,034	1,128	1,390
Purchase	109	157	162	161	105	174	130	120	114	190	197	167	156	242	258	222	589	530	669	879	1,059
Refi	366	439	263	260	197	166	283	355	155	75	72	64	55	62	65	68	1,328	1,001	365	249	331
Refi Share (%)	77%	74%	62%	62%	65%	49%	68%	75%	58%	28%	27%	28%	26%	20%	20%	23%	69%	65%	35%	22%	24%
Liquidations	463	626	490	467	397	386	465	509	348	318	300	263	228	277	287	256	2,045	1,757	1,230	1,048	1,187
<b>Mortgage Debt Outstanding</b>																					
MDO Single-Family First Lien	9,969	9,939	9,875	9,829	9,735	9,689	9,637	9,602	9,523	9,469	9,438	9,406	9,389	9,416	9,452	9,486	9,829	9,602	9,406	9,486	9,690
% Change	0.5%	-1.2%	-2.6%	-1.9%	-3.8%	-1.9%	-2.2%	-1.4%	-3.2%	-2.2%	-1.3%	-1.3%	-0.7%	1.2%	1.5%	1.5%	-1.3%	-2.3%	-2.0%	0.9%	2.1%
MDO Total Single-Family	11,066	11,014	10,926	10,861	10,748	10,685	10,612	10,574	10,487	10,428	10,393	10,358	10,339	10,369	10,409	10,447	10,861	10,574	10,358	10,447	10,670
% Change	-0.2%	-1.9%	-3.1%	-2.4%	-4.1%	-2.3%	-2.7%	-1.4%	-3.2%	-2.2%	-1.3%	-1.3%	-0.7%	1.2%	1.5%	1.5%	-1.9%	-2.6%	-2.0%	0.9%	2.1%
ARM Share of Applications (% of conv#)	2.2%	3.5%	6.3%	5.5%	4.9%	6.0%	6%	5%	7%	14%	16%	17%	18%	19%	19%	18%	4%	5%	14%	18%	17%

February 10, 2011

Notes: Interest rate forecasts are based on rates from January 31, 2011.

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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