

Housing Forecast: December 2015

	----- 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	1,153	1,125	1,180	1,215	1,251	1,281	1,315	1,337	1,376	1,391	1,003	1,103	1,232	1,355
Single-Family (1 Unit)	643	706	744	735	770	810	846	881	915	937	956	971	648	707	827	945
<i>Percent Change: Year-over-Year</i>													4.9%	9.1%	16.9%	14.3%
Multifamily (2+ Units)	335	451	409	390	410	405	405	400	400	400	420	420	355	396	405	410
New Single-Family Home Sales	517	497	487	484	512	548	567	593	607	624	636	649	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	5,372	5,376	5,434	5,501	5,466	5,491	5,506	5,543	5,576	4,940	5,280	5,444	5,529
<i>Percent Change: Year-over-Year</i>													-2.9%	6.9%	3.1%	1.6%
Total Home Sales (New + Existing)	5,490	5,794	5,964	5,856	5,889	5,981	6,068	6,059	6,098	6,130	6,180	6,226	5,377	5,776	5,999	6,158
<i>Percent Change: Year-over-Year</i>													-2.6%	7.4%	3.9%	2.6%
Home Prices (NSA, Thous. \$)																
Median New	293	290	299	316	306	301	311	331	320	313	323	342	283	299	312	325
Median Total Existing	203	228	227	217	213	237	236	228	222	246	245	236	208	219	228	237
FHFA Purchase-Only Index (% Change: Quarterly YoY, Annual Q4/Q4)	5.3%	5.6%	5.7%	4.7%	4.6%	3.9%	4.2%	4.9%	4.8%	4.1%	3.8%	3.7%	5.0%	4.7%	4.9%	3.7%
Mortgage Rates (Percent)																
30-Year Fixed Rate Mortgage	3.7	3.8	4.0	3.9	4.0	4.0	4.1	4.1	4.2	4.2	4.2	4.3	4.2	3.9	4.1	4.2
5-Year Adjustable Rate Mortgage	2.9	2.9	2.9	3.0	3.1	3.2	3.3	3.4	3.5	3.5	3.6	3.6	3.0	2.9	3.3	3.5
1-Year Adjustable Rate Mortgage	2.4	2.5	2.6	2.6	2.8	2.9	2.9	3.0	3.1	3.1	3.2	3.2	2.4	2.5	2.9	3.2
Single-Family Mortgage Originations (NSA, Bil. \$, 1-4 Units)																
Mortgage Originations	384	500	427	400	310	379	374	347	287	374	376	353	1,301	1,711	1,410	1,390
Purchase	156	261	263	236	173	266	269	244	185	277	279	255	783	916	952	997
Refinance	229	239	164	164	137	113	104	103	101	97	97	98	518	795	458	393
Refinance Share (%)	59%	48%	38%	41%	44%	30%	28%	30%	35%	26%	26%	28%	40%	46%	32%	28%

December 10, 2015

Note: Interest rate forecasts are based on rates from November 30, 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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