

Housing Forecast: December 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	602	584	563	610	670	746	812	891	995	1,110	1,213	554	592	710	1,052
Single-Family (1 unit)	362	423	496	488	524	491	433	438	478	528	590	640	696	775	870	953	445	472	559	824
percent change																	-28.5%	6.0%	18.5%	47.3%
Multifamily (2+ units)	168	114	90	76	93	111	151	125	132	142	156	172	195	220	240	260	109	120	151	229
New Home Sales	353	368	401	373	360	335	289	299	328	362	406	441	477	534	600	657	374	321	384	567
percent change																	-22.9%	-14.2%	19.8%	47.5%
Total Existing Home Sales	4,610	4,780	5,280	5,970	5,140	5,570	4,163	4,413	4,756	4,937	5,123	5,229	5,394	5,426	5,479	5,523	5,156	4,822	5,011	5,455
percent change																	4.9%	-6.5%	3.9%	8.9%
Total Home Sales (new + existing)	4,963	5,148	5,681	6,343	5,500	5,905	4,452	4,712	5,084	5,299	5,529	5,670	5,871	5,960	6,079	6,180	5,530	5,142	5,396	6,022
percent change																	2.4%	-7.0%	4.9%	11.6%
Home Prices (NSA, thous. \$)																				
Median New	207.8	218.7	212.6	218.8	221.6	219.4	220.5	214.5	219.1	213.1	217.8	214.4	222.0	218.7	225.5	223.8	215.6	219.0	216.1	222.5
Median Total Existing	167.6	174.4	178.1	170.8	166.4	176.6	177.0	167.4	164.5	171.6	174.9	167.4	166.6	176.1	181.0	174.7	172.5	171.9	169.6	174.6
FHFA Index (YOY % change Purchase Only)	-7.1%	-5.9%	-3.9%	-1.5%	-3.2%	-1.7%	-3.1%	-0.7%	0.2%	-0.9%	1.0%	0.6%	2.7%	2.8%	3.6%	4.3%	-1.5%	-0.7%	0.6%	4.3%
Interest Rates, Percent																				
Yield on 10-yr Treasury Notes (%)	2.74	3.31	3.52	3.46	3.7	3.5	2.8	2.7	2.9	3.0	3.1	3.2	3.3	3.4	3.5	3.6	3.3	3.2	3.1	3.5
30-year fixed mortgage rate (%)	5.06	5.03	5.16	4.92	5.0	4.9	4.4	4.4	4.6	4.7	4.8	4.8	4.9	5.1	5.2	5.2	5.0	4.7	4.7	5.1
1-year mortgage rate (%)	4.88	4.83	4.72	4.43	4.3	4.0	3.6	3.3	3.4	3.5	3.5	3.6	3.7	3.7	3.8	3.9	4.7	3.8	3.5	3.8
Originations (NSA, bil. \$)																				
Mortgage Originations	475	596	425	421	303	349	426	450	288	302	289	252	238	321	336	301	1,917	1,527	1,132	1,197
Purchase	109	157	162	161	105	174	130	113	108	183	195	167	159	244	260	225	589	522	652	888
Refi	366	439	263	260	197	175	296	337	180	120	95	85	78	77	76	76	1,328	1,005	480	308
Refi Share (%)	77%	74%	62%	62%	65%	50%	69%	75%	63%	40%	33%	34%	33%	24%	23%	25%	69%	66%	42%	26%
Liquidations	463	626	490	467	397	394	478	494	388	339	308	280	267	290	293	268	2,045	1,763	1,315	1,119
Mortgage Debt Outstanding (NSA, bil. \$)																				
MDO Single-Family First Lien	9,969	9,939	9,875	9,829	9,735	9,689	9,637	9,593	9,493	9,457	9,438	9,410	9,381	9,411	9,454	9,488	9,829	9,593	9,410	9,488
% Change	0.5%	-1.2%	-2.6%	-1.9%	-3.8%	-1.9%	-2.2%	-1.8%	-4.1%	-1.5%	-0.8%	-1.2%	-1.3%	1.3%	1.8%	1.4%	-1.3%	-2.4%	-1.9%	0.8%
MDO Total Single-Family	11,066	11,014	10,926	10,861	10,748	10,685	10,612	10,564	10,454	10,414	10,393	10,363	10,330	10,364	10,411	10,448	10,861	10,564	10,363	10,448
% Change	-0.2%	-1.9%	-3.1%	-2.4%	-4.1%	-2.3%	-2.7%	-1.8%	-4.1%	-1.5%	-0.8%	-1.2%	-1.3%	1.3%	1.8%	1.4%	-1.9%	-2.7%	-1.9%	0.8%
ARM Share of Applications (% of conv#)	2.5%	2.9%	6.3%	5.5%	4.9%	6.0%	6%	5%	8%	11%	13%	14%	15%	16%	17%	17%	4%	5%	12%	16%

December 10, 2010

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