

Housing Forecast: October 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	560	575	637	697	786	852	937	1,050	1,170	1,265	554	589	743	1,106
Single-Family (1 unit)	362	423	496	488	524	491	426	445	505	555	630	680	742	830	930	1,005	445	472	593	877
percent change																	-28.5%	6.0%	25.7%	48.0%
Multifamily (2+ units)	168	114	90	76	93	111	134	130	132	142	156	172	195	220	240	260	109	117	151	229
New Home Sales	353	368	401	373	360	337	292	328	358	392	443	478	521	581	650	703	374	329	418	614
percent change																	-22.9%	-12.0%	27.0%	46.9%
Total Existing Home Sales	4,610	4,780	5,280	5,970	5,140	5,607	4,070	4,365	4,766	4,803	4,956	5,093	4,989	5,106	5,181	5,223	5,156	4,795	4,905	5,124
percent change																	4.9%	-7.0%	2.3%	4.5%
Total Home Sales (new + existing)	4,963	5,148	5,681	6,343	5,500	5,944	4,362	4,693	5,124	5,196	5,400	5,570	5,510	5,687	5,831	5,926	5,530	5,125	5,322	5,738
percent change																	2.4%	-7.3%	3.9%	7.8%
Home Prices (NSA, thous. \$)																				
Median New	207.8	218.7	212.6	218.8	221.6	218.9	209.5	215.2	219.3	212.2	205.7	214.3	221.8	217.7	212.9	223.7	215.6	216.3	212.9	219.0
Median Total Existing	167.6	174.4	178.1	170.8	166.4	176.6	175.5	168.0	164.6	171.2	172.3	167.3	166.5	175.7	178.3	174.6	172.5	171.6	168.8	173.8
FHFA Index (YOY % change Purchase Only)	-7.1%	-5.9%	-3.8%	-1.5%	-3.2%	-1.6%	-2.9%	-0.6%	0.4%	-1.2%	0.6%	0.5%	2.6%	2.9%	3.5%	4.3%	-1.5%	-0.6%	0.5%	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	2.5	2.6	2.7	2.8	2.9	3.0	3.0	3.1	3.2	3.3	3.1	2.7	3.1
30-year fixed mortgage rate (%)	5.06	5.03	5.16	4.92	5.0	4.9	4.5	4.3	4.3	4.3	4.3	4.4	4.4	4.5	4.6	4.7	5.0	4.7	4.3	4.5
1-year mortgage rate (%)	4.88	4.83	4.72	4.43	4.3	4.0	3.6	3.4	3.3	3.3	3.4	3.4	3.5	3.5	3.6	3.7	4.7	3.8	3.4	3.6
Originations (NSA, bil. \$)																				
Mortgage Originations	475	596	425	421	303	349	363	483	328	315	302	263	231	312	319	290	1,917	1,497	1,208	1,152
Purchase	109	157	162	161	105	174	129	116	109	179	187	167	142	219	229	203	589	525	643	793
Refi	366	439	263	260	197	175	234	366	219	136	114	97	89	94	90	87	1,328	972	565	359
Refi Share (%)	77%	74%	62%	62%	65%	50%	64%	76%	67%	43%	38%	37%	38%	30%	28%	30%	69%	65%	47%	31%
Liquidations	465	625	490	468	435	396	426	528	449	389	350	325	311	324	319	294	2,047	1,784	1,513	1,248
Mortgage Debt Outstanding (NSA, bil. \$)																				
MDO Single-Family First Lien	9,968	9,939	9,874	9,827	9,695	9,648	9,586	9,541	9,420	9,346	9,297	9,236	9,156	9,145	9,145	9,141	9,827	9,541	9,236	9,141
% Change	0.4%	-1.2%	-2.6%	-1.9%	-5.3%	-1.9%	-2.6%	-1.9%	-5.0%	-3.1%	-2.1%	-2.6%	-3.4%	-0.5%	0.0%	-0.2%	-1.3%	-2.9%	-3.2%	-1.0%
MDO Total Single-Family	11,064	11,013	10,926	10,859	10,709	10,645	10,576	10,526	10,393	10,311	10,257	10,190	10,102	10,089	10,089	10,084	10,859	10,526	10,190	10,084
% Change	-0.3%	-1.8%	-3.1%	-2.4%	-5.4%	-2.4%	-2.6%	-1.9%	-5.0%	-3.1%	-2.1%	-2.6%	-3.4%	-0.5%	0.0%	-0.2%	-1.9%	-3.1%	-3.2%	-1.0%
ARM Share of Applications (% of conv#)	2.5%	2.9%	6.3%	5.5%	4.9%	6.0%	6%	6%	7%	9%	10%	10%	11%	12%	13%	13%	4%	6%	9%	12%

October 11, 2010

Notes: Interest rate forecasts are based on rates from September 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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