

MBA Mortgage Finance Forecast

August 24, 2007

	2006				2007				2008				2009		2006	2007	2008
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
Housing Measures (Thous)																	
Housing Starts	2,127	1,861	1,704	1,555	1,460	1,465	1,332	1,321	1,317	1,311	1,304	1,307	1,323	1,333	1,801	1,395	1,310
Single-Family	1,752	1,520	1,393	1,232	1,172	1,168	1,040	1,029	1,021	1,017	1,015	1,022	1,029	1,039	1,465	1,102	1,019
Two or More	376	341	311	323	288	297	292	292	295	294	289	285	294	293	336	292	291
Home Sales																	
Total Existing Homes	6,863	6,627	6,287	6,263	6,423	5,913	5,744	5,576	5,550	5,570	5,685	5,846	5,853	5,883	6,478	5,914	5,663
New Homes	1,132	1,086	994	986	853	880	833	809	803	801	798	804	808	814	1,051	844	802
Median Price of Total Existing Homes (Thous \$)	216.9	226.8	225.0	219.3	213.9	224.2	208.8	205.9	211.2	221.1	207.1	206.5	212.8	217.5	221.9	213.2	211.4
Median Price of New Homes (Thous \$)	244.8	246.1	236.2	245.1	255.9	239.7	231.9	238.8	239.1	241.3	234.1	240.8	244.0	245.8	246.5	241.6	238.8
Interest Rates (%)																	
30-Year Fixed Rate Mortgage	6.2	6.6	6.6	6.2	6.2	6.4	6.6	6.6	6.7	6.8	6.9	6.9	6.9	6.9	6.4	6.5	6.9
10-Year Treasury Yield	4.6	5.1	4.9	4.6	4.7	4.8	4.8	4.8	4.8	4.8	4.9	5.0	5.0	5.0	4.8	4.8	4.9
1-Year Treasury ARM	5.3	5.7	5.6	5.5	5.5	5.6	5.6	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.5	5.5	5.4
1-Year Treasury Yield	4.6	5.0	5.1	5.0	5.0	5.0	4.9	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.9	4.9	4.6
Mortgage Originations																	
Total 1- to 4-Family (Bil \$)	626	752	723	714	655	722	574	475	552	538	493	494	491	465	2,816	2,426	2,076
Purchase	319	429	390	321	282	368	333	271	287	301	286	291	300	307	1,460	1,254	1,165
Refinance	307	324	333	393	374	354	241	204	265	237	207	202	192	158	1,356	1,173	911
Refinance Share (%)	49	43	46	55	57	49	42	43	48	44	42	41	39	34	48	48	44
ARM Share (%)	28	25	19	14	11	10	12	14	16	17	17	18	18	18	22	12	17

Notes:

Housing starts and home sales are seasonally adjusted at annual rate.

Total existing home sales include condos and co-ops.

Total 1-to-4-family originations and refinance share are MBA estimates. These exclude second mortgages and home equity loans.

Refinance share is percent of total dollar volume of closed loans.

ARM share is percent of total number of closed conventional purchase loans.

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