Freddie Mac November Forecast: Housing Market Continues to Stand Firm

November 27, 2019

MCLEAN, Va., Nov. 27, 2019 (GLOBE NEWSWIRE) -- According to Freddie Mac's (OTCQB: FMCC) November Forecast, the housing market will continue to stand firm as home sales rise to 6.0 million for 2019 before increasing to 6.1 million for 2020.

"The economy has seen increased volatility in November as hopes for a favorable resolution to the trade dispute have recently waned," said Sam Khater, Freddie Mac's Chief Economist. "However, given low interest rates, modest inflation and a solid labor market, the U.S. housing market continues to stand firm, and, our forecast is for the housing market to maintain momentum over the next two years."

Forecast Highlights

- The average 30-year fixed-rate mortgage rate is forecasted to be 4.0 percent for full-year 2019 and to decrease slightly to 3.8 percent in 2020.
- The house price forecast is expected to be 3.2 percent in 2019 and 2.9 percent in 2020.
- Modest increases in home sales and house prices should boost purchase mortgage originations to $1,255 billion and $1,299 billion in 2019 and 2020, respectively.
- The surge in refinance activity will carry over into next year, with a projected $846 billion and $834 billion in single-family refinance mortgage originations in 2019 and 2020, respectively.
- Overall, expect annual mortgage origination levels of $2.1 trillion in 2019 and 2020.

Freddie Mac expects to start distributing its forecast on a quarterly basis beginning in 2020. Freddie Mac will continue to distribute its forecast on a monthly basis through December 2019.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders, investors, and taxpayers. Learn more at FreddieMac.com, Twitter @FreddieMac, and Freddie Mac's blog FreddieMac.com/blog.

MEDIA CONTACT:
Angela Waugaman
703-714-0644
Angela_Waugaman@FreddieMac.com

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/54a8627a-99d4-4175-8b00-25bb11d39b9c