



Freddie Mac's Single-Family Refinance Information

NABE Real Estate/Construction Roundtable Webinar

March 24, 2011

Frank E. Nothaft

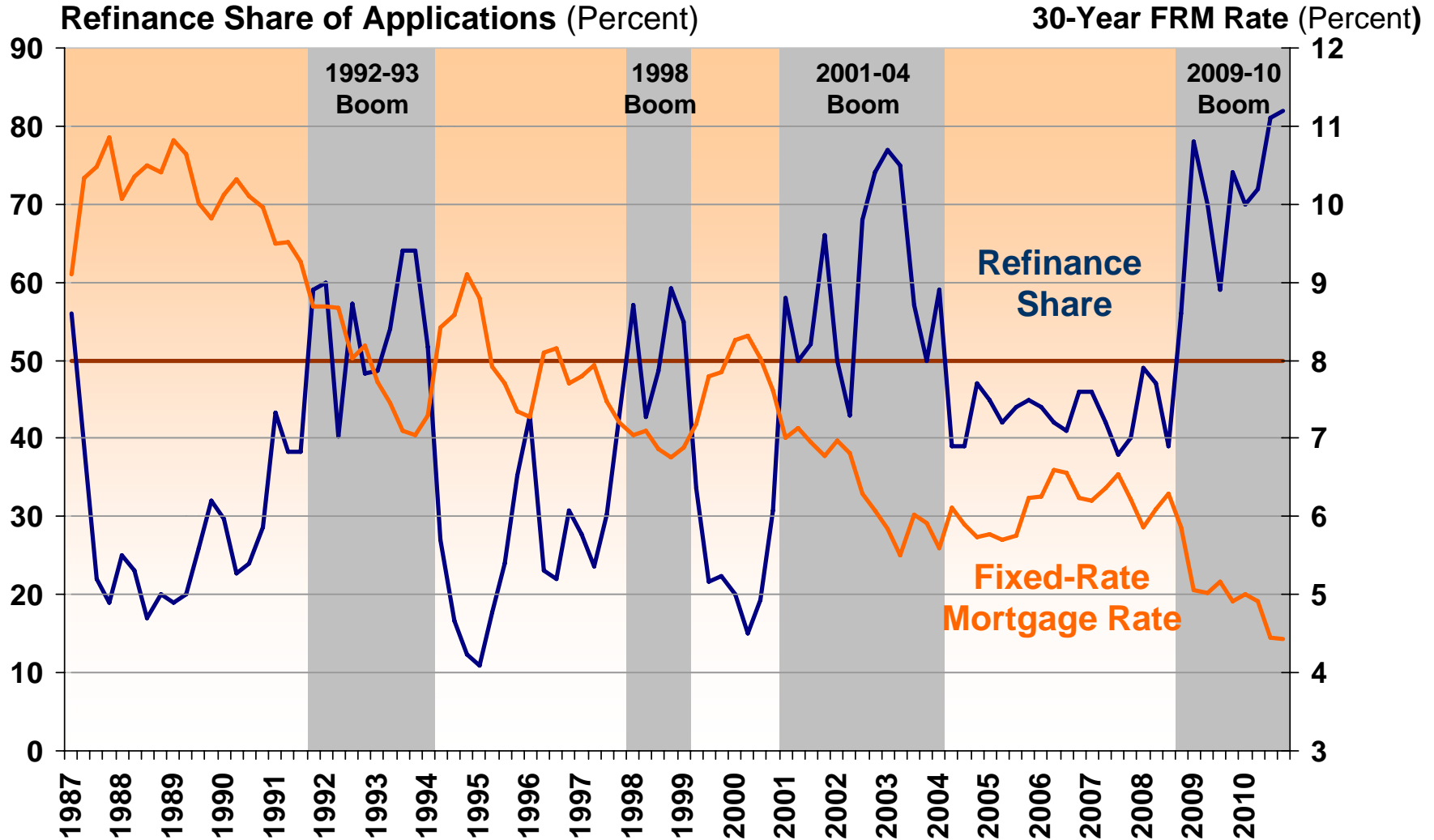
Freddie Mac Chief Economist

- **Refinance Share of Applications (Monthly)**
 - Collected monthly since 1987 from our Primary Mortgage Market Survey® sample
 - Primary Mortgage Market Survey® reaches 125 lenders each week; longest weekly survey of U.S. mortgage rates
 - Refinance share is located at:
http://www.freddiemac.com/news/finance/refi-arm_archives.htm

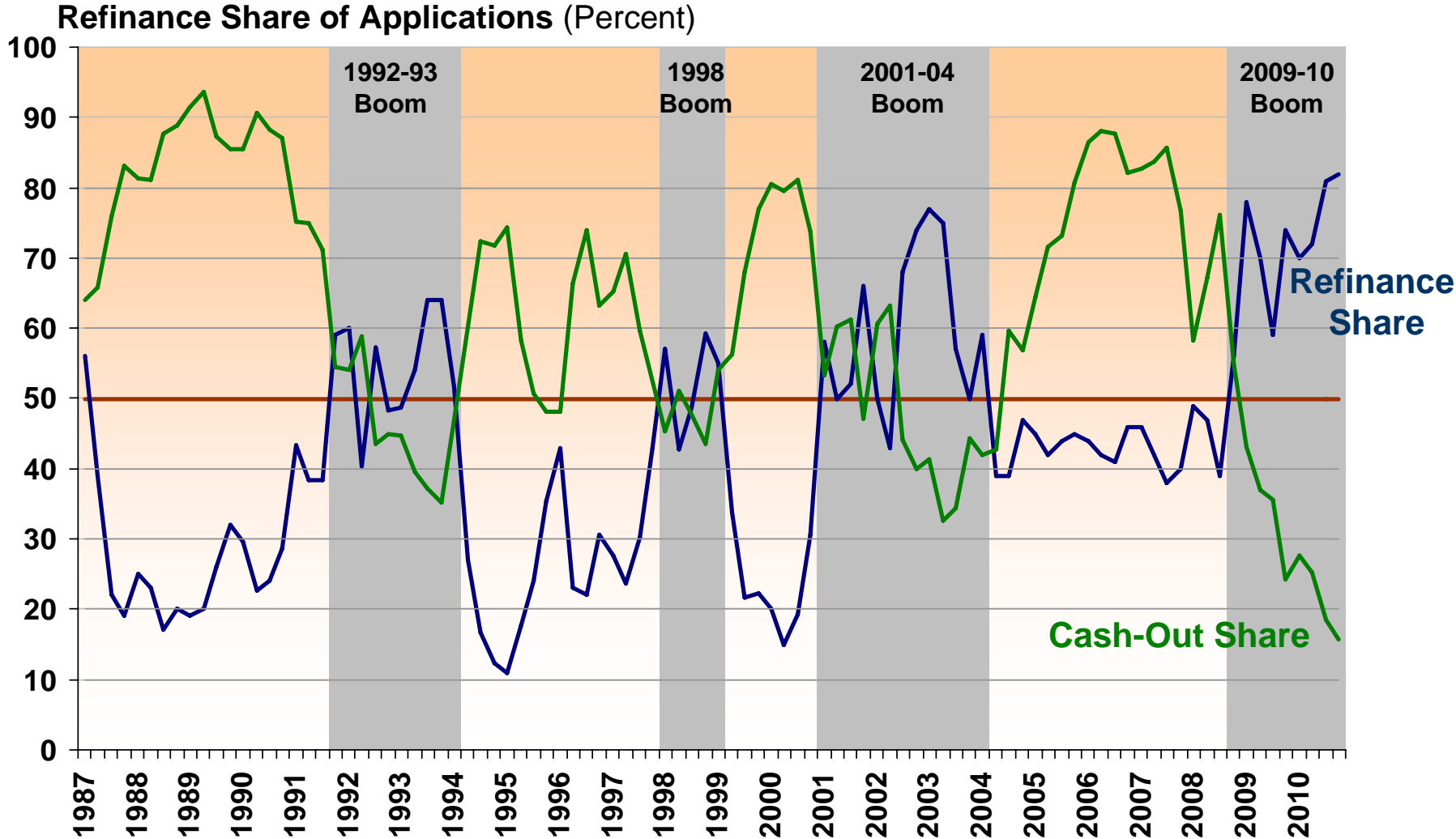
- **Refinance Activities Reports (Quarterly)**
 - Freddie Mac compiles statistics on loans it purchases that refinance loans in its portfolio; most series extend back to 1985
 - Estimates of aggregate cash-out volume are available back to 1993
 - The Refinance Product Transition examines the product choices borrowers make when they refinance an existing loan: ARM vs fixed-rate, and term in years
 - Refinance Activities Reports are located at:
http://www.freddiemac.com/news/finance/refi_archives.htm

- **Economic Outlook Includes Refinance Share Projection**
 - Look for “Monthly Outlook” at:
<http://www.freddiemac.com/news/finance/>

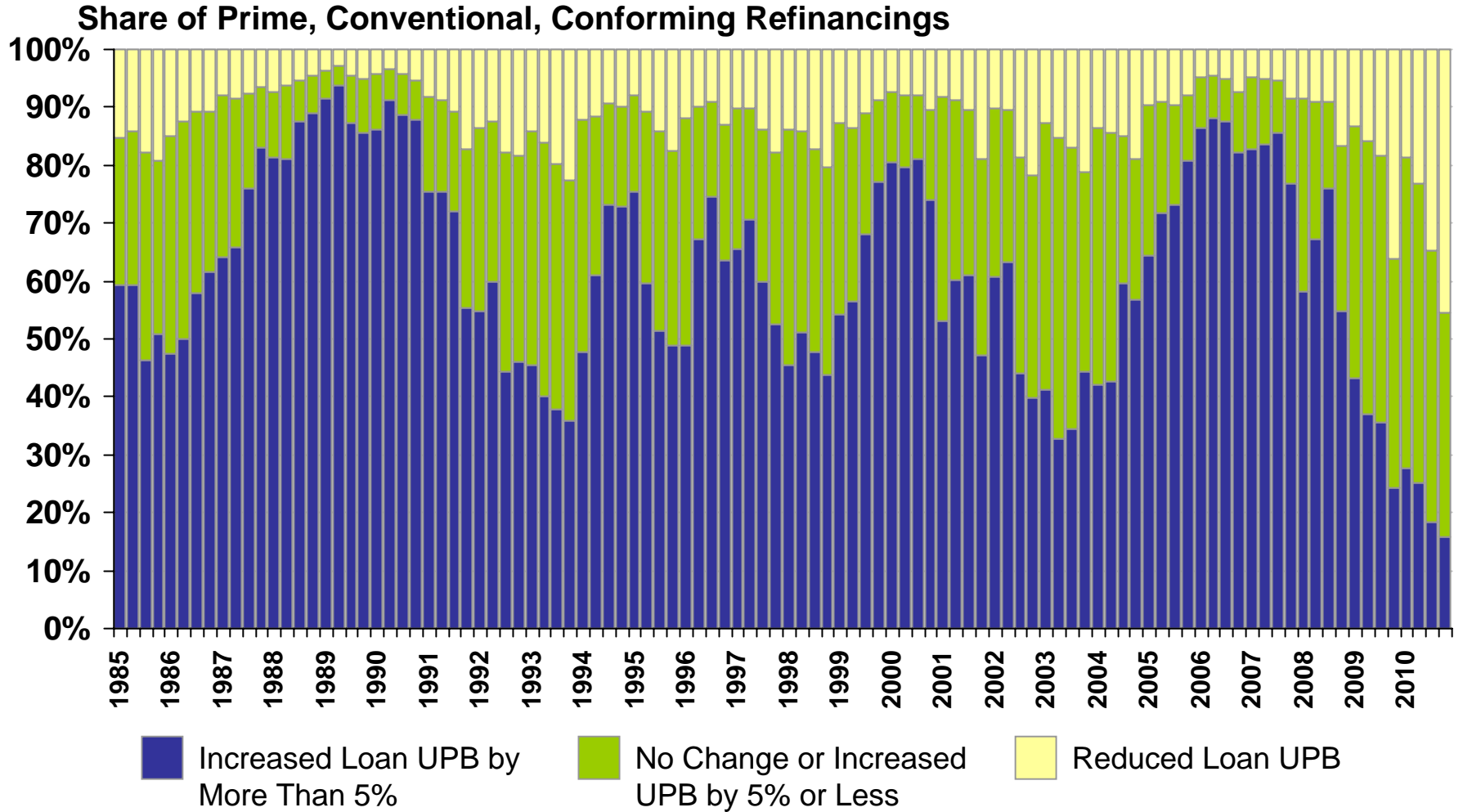
Mortgage Rate Negatively Correlated with Refi Share



When Refi Share Is High the Cash-Out Share Is Low

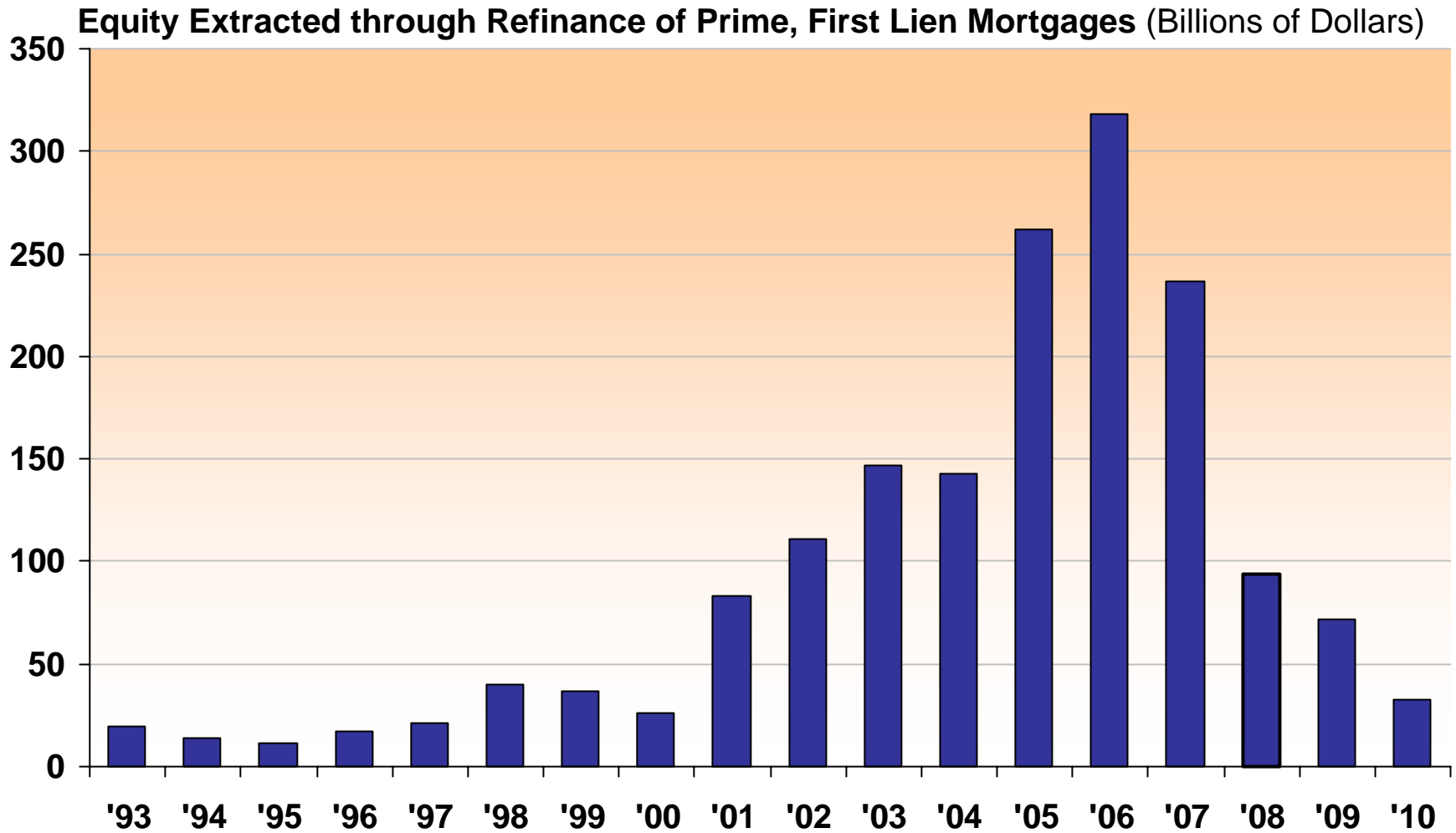


The Cash-out Share of Refinancings Is at Lowest Level In History of Our Refinance Report



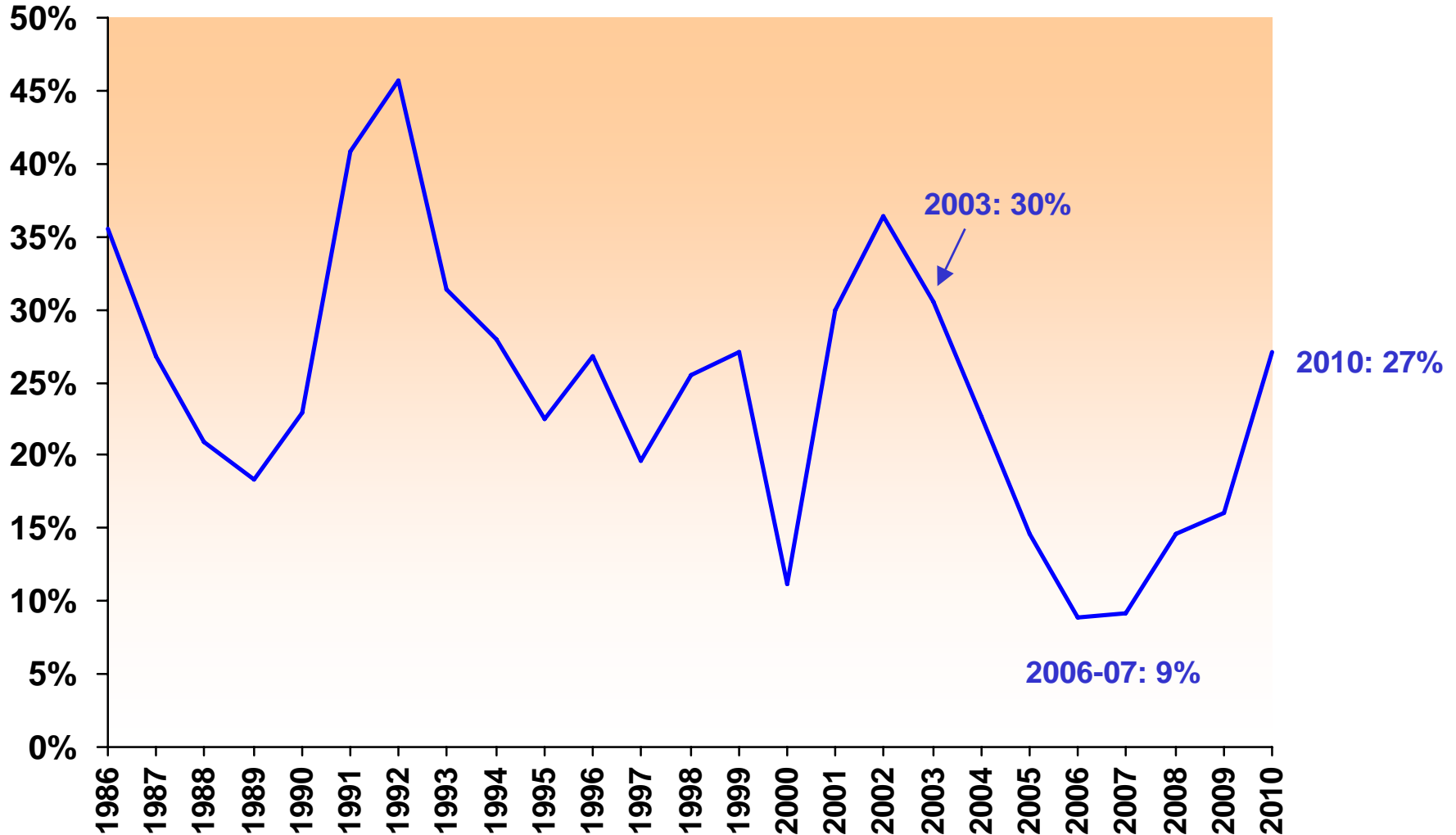
Sources: Freddie Mac's Refinance Activities Reports

The Real Dollar Volume of Net Equity Cash-Out Is At the Lowest Level Since 1997



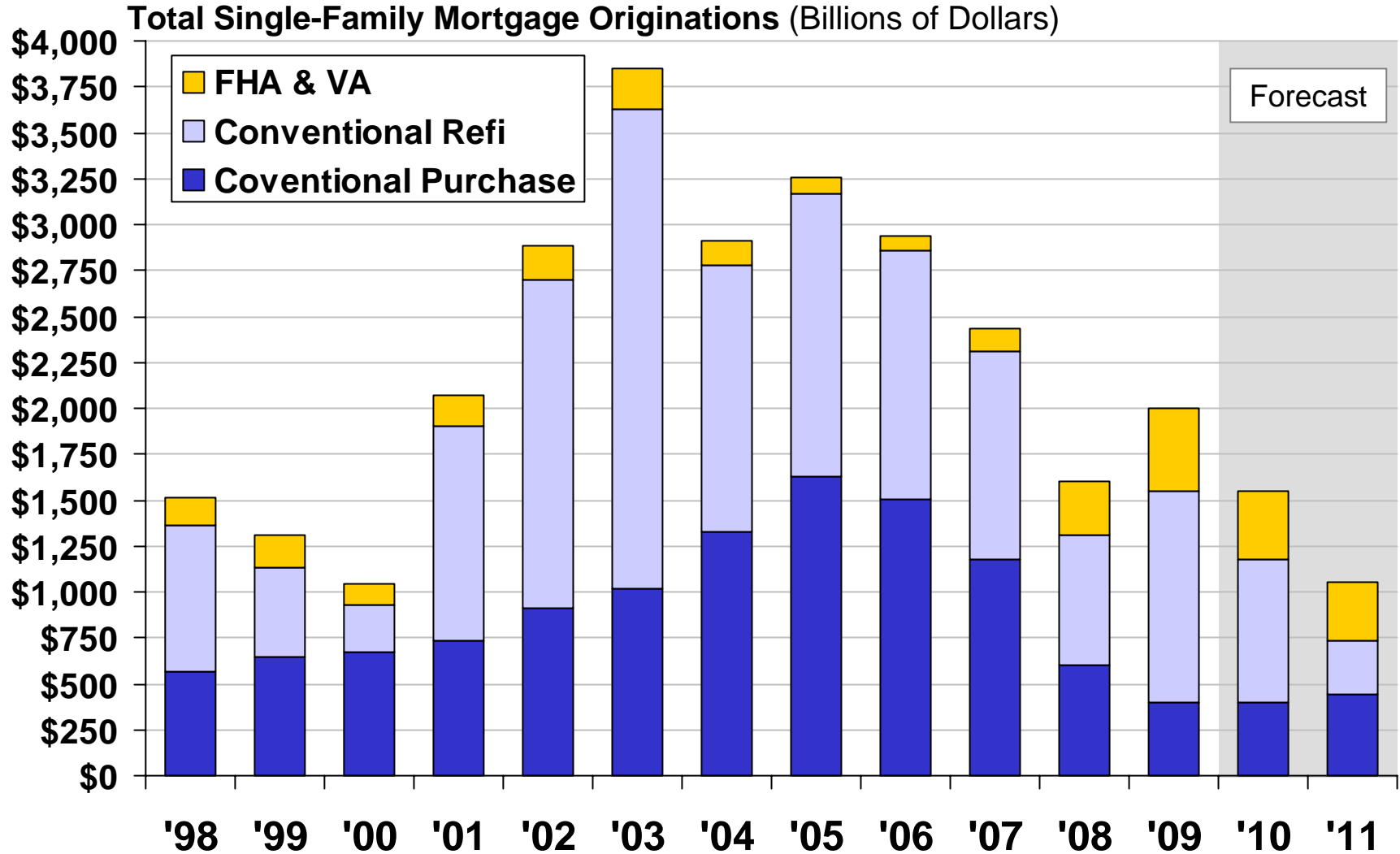
27% of Refinances Resulted in a Shorter-term Loan in 2010, the Highest Share Since 2003

Percent of refinancing borrowers who shortened their loan terms



Sources: Freddie Mac's Refinance Activities Reports

More Purchase-Money but Less Refinance Result in 30% Decline in 2011 Single-family Originations





Where to Get More Information

Look for regular updates to our economic forecast,
commentary and data at
www.FreddieMac.com/news/finance

Contact us at chief_economist@freddiemac.com

Opinions, estimates, forecasts and other views contained in this document are those of Freddie Mac's Office of the Chief Economist, do not necessarily represent the views of Freddie Mac or its management, should not be construed as indicating Freddie Mac's business prospects or expected results, and are subject to change without notice. Although the Office of the Chief Economist attempts to provide reliable, useful information, it does not guarantee that the information is accurate, current or suitable for any particular purpose.

*Information from this document may be used with proper attribution. Alteration of this document is prohibited.
© 2011 by Freddie Mac.*