



Sources: MBA Forecast, Home Mortgage Disclosure Act (HMDA).

2020 and 2021 were record setting years with \$4.11 trillion and \$4.44 trillion in originations respectively, as the industry experienced record low mortgage rates and home price appreciation soared across the country. Indeed, 2021 set records for purchase (\$1.86 trillion) and refinance originations (\$2.57 trillion). The last time the mortgage industry had originated over \$2.5 trillion in refinances was in 2003—when total originations eclipsed \$3.8 trillion.

While we are familiar with origination volumes in current dollars—how they set records in 2021, fell to an estimated \$2.2 trillion in 2022, and are [forecast](#) to come down to \$1.8 trillion this year—it is instructive to understand what it means in terms of loan counts.

In this week’s Chart of the Week, we show historic annual origination counts and MBA’s count forecast through 2025.

Back in 2003, based on *Home Mortgage Disclosure Act* (HMDA) data, the average purchase mortgage was approximately \$164,000 and the average refinance was \$160,000. In 2021, corresponding values were \$344,000 and \$296,000. As such, we estimate that there were over 23.7 million mortgages originated in 2003—67% more than in 2021 when 14.2 million loans were originated.

Our estimates for loan counts in 2022-2025 are based on HMDA data through 2021 together with MBA forecasts for dollar origination volumes, house price appreciation, within year distribution of originations, and growth in average refinance loan size. We predict that the \$1.8 trillion in 2023 originations will translate into 4.38 million originations, of which one-quarter (1.07 million) will be refinances. In 2024 and 2025 we are forecasting 5.42 million and 6.20 million originations.