

Macro Roundup Article

Headline: [The Great Pandemic Mortgage Refinance Boom](#)

Article Link: <https://libertystreeteconomics.newyorkfed.org/2023/05/the-great-pandemic-mortgage-refinance-boom/>

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Tweet: 1/3 of outstanding mortgage balances were refinanced during the pandemic housing boom, including \$430B in home equity extraction. @NewYorkFed argues this "will potentially provide significant support to future consumption."

Summary: In the end, fourteen million mortgages were refinanced during the COVID refinance boom, and these refinances will have effects on the mortgage market for years to come. Many borrowers who refinanced during the boom have improved either their cash flow, through a reduction in payments on their existing properties, or their liquidity by extracting equity from those properties. Approximately five million borrowers extracted a total of \$430 billion in home equity from their refinancing. Meanwhile, nine million refinanced their loans without equity extraction and lowered their monthly payments, resulting in an aggregate reduction of \$24 billion annually in their annual housing costs.

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Primary Topic: Housing

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