

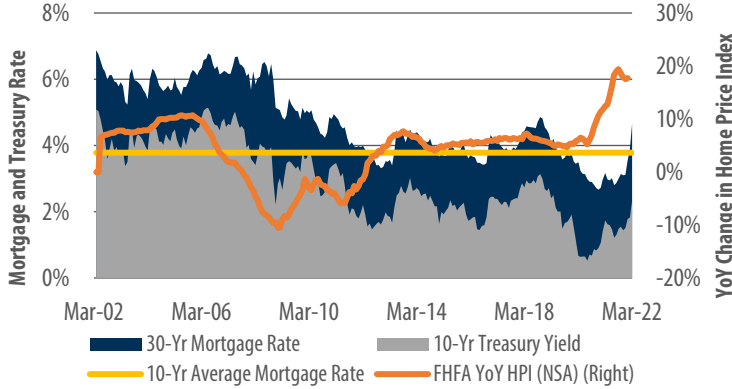


# HOUSING TRACKER

April 2022

## Rates Have Begun to Climb. Where is the Affordability Rubicon for Housing?

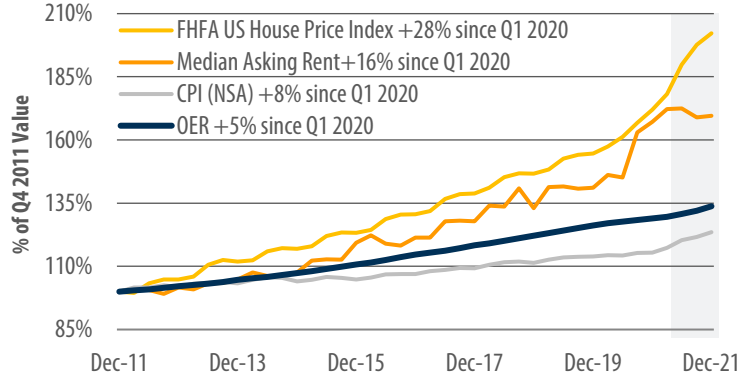
FHFA is Non Seasonally Adjusted (NSA).



Source: Federal Housing Finance Agency (FHFA), Bloomberg, FreddieMac. Mortgage Rates and Treasury Yield as of 3/31/22. FHFA YoY HPI as of 2/28/22, latest available data.

## Owner's Equivalent Rent, a key CPI Component, Continues to Lag Housing Market Impact

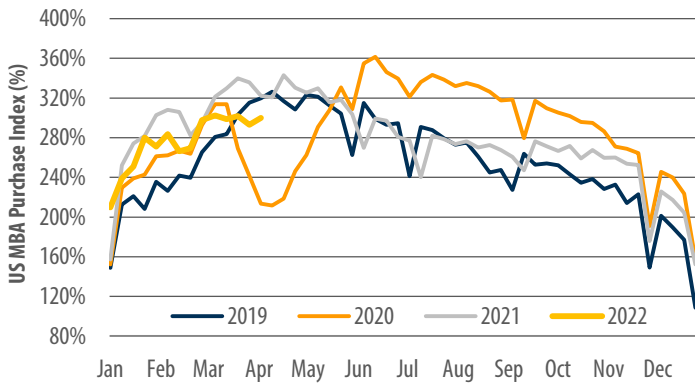
Indexed to Q4 2011 Value. NSA. 12/31/2011 to 12/31/2021.



Source: FHFA, Census, Bureau of Labor Statistics, Consumer Price Index (CPI), Owner's Equivalent Rent (OER).

## Pending Sales Slowing

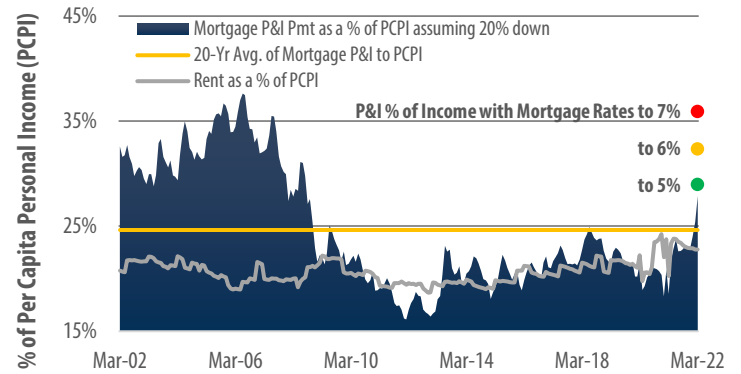
US MBA Purchase Index, (NSA). 1/1/2019 to 4/1/2022



Source: Mortgage Bankers Association, Bloomberg.

## Higher Rates Could Quickly Decrease Affordability to Pre-2008 Levels

3/31/2002 to 3/31/2022

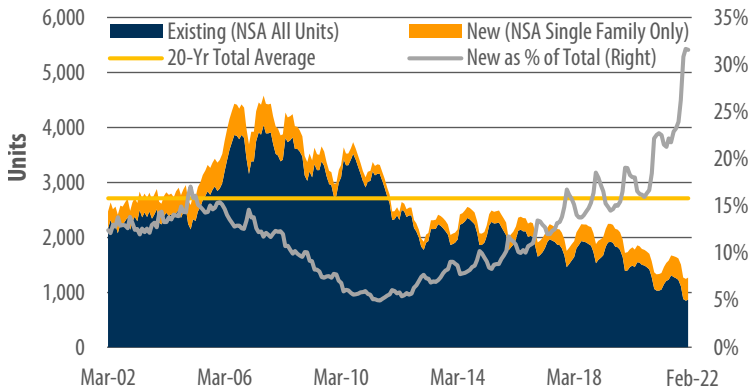


Source: Census, FHFA, FreddieMac, Bureau of Economic Analysis.

Note: Census rental rate data collected for 2Q and 3Q 2020 was affected by COVID.

## Dearth of Inventory Should Continue to Support Housing

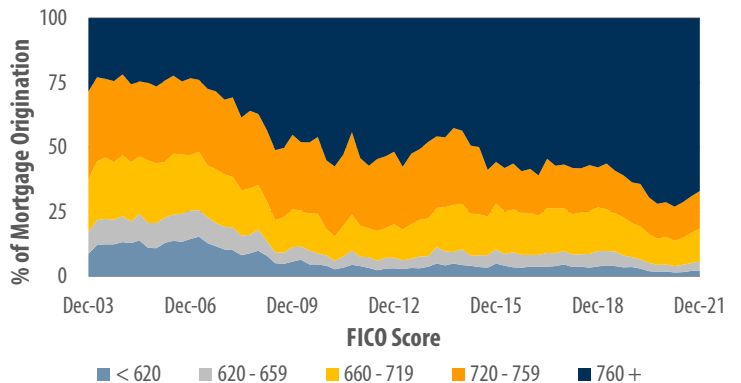
3/31/2002 to 2/28/2022



Source: National Association of Realtors (NAR), Census.

## Credit Quality Mitigates Default Risk Despite Potential for Housing Slowdown

Mortgage Origination by FICO Cohort. Data from 3/30/2003 to 12/31/2021.



Source: FRBNY Consumer Credit Panel, Equifax.



**On the Watch for a Spring Inventory Ease. Price Appreciation Refuses to Begin Meaningful Slowdown.**

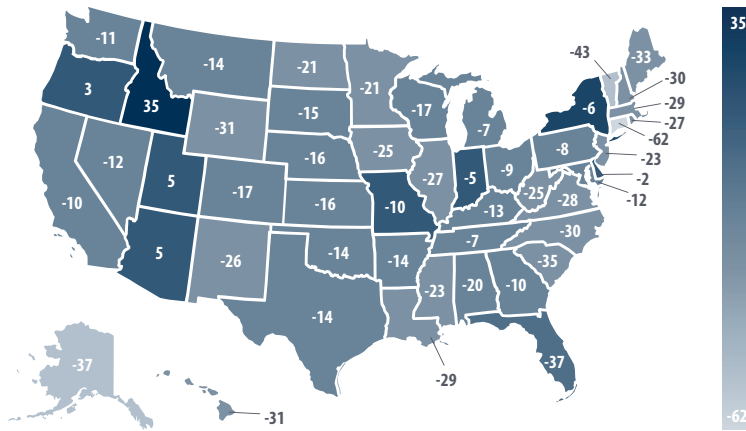
Home Price Inventory - FHFA US House Price Index, NSA.

Region	Home Price - YoY % Change (NSA)		Active Listings - YoY % Change			
	Dec '20 - Dec '21	Jan '21 - Jan '22	Dec '20 - Dec '21	Jan '21 - Jan '22	Feb '21 - Feb '22	Mar '21 - Mar '22
<b>United States</b>	<b>17.8</b>	<b>18.3</b>	<b>(26.9)</b>	<b>(28.7)</b>	<b>(24.6)</b>	<b>(18.9)</b>
East North Central	14.2	14.7	(20.4)	(22.3)	(19.2)	(16.4)
East South Central	18.8	20.6	(24.9)	(26.2)	(21.9)	(15.3)
Middle Atlantic	13.3	13.4	(19.1)	(20.3)	(15.3)	(10.8)
Mountain	23.3	23.1	(14.3)	(19.2)	(14.0)	(8.1)
New England	17.0	16.0	(44.3)	(45.7)	(44.0)	(43.9)
Pacific	19.5	20.1	(26.6)	(27.7)	(19.1)	(10.8)
South Atlantic	20.6	21.9	(37.1)	(39.2)	(36.2)	(28.3)
West North Central	14.0	14.0	(20.6)	(22.1)	(19.8)	(17.8)
West South Central	18.3	18.5	(23.9)	(24.4)	(21.0)	(16.1)

Source: FHFA, National Association of Realtors

**Inventory Ease Showing in Mountain Region**

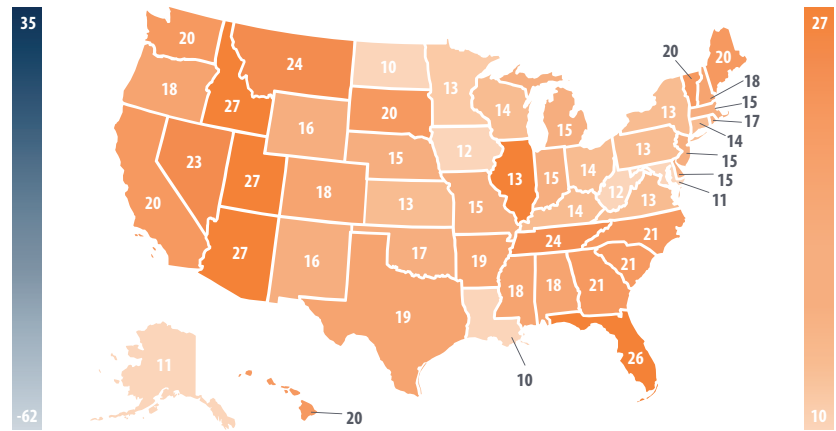
Year over Year (%) Active Listings Change from Mar 2021 to Mar 2022.



Source: National Association of Realtors

**Appreciation Remains Historic Especially in Sunbelt and Mountain Regions**

Year over Year (%) Home Price Change from Q4 2020 to Q4 2021.



Source: FHFA, latest available data.

**DEFINITIONS**

**Consumer Price Index**® (CPI) measures the average change in prices over time that consumers pay for a basket of goods and services.

**Fannie Mae's Home Purchase Sentiment Index**® (HPSI) is a composite index designed to track consumers' housing-related attitudes, intentions, and perceptions, using six questions from the National Housing Survey® (NHS).

A **FICO score** is a credit score created by the Fair Isaac Corporation (FICO). Lenders use borrowers' FICO scores along with other details on borrowers' credit reports to assess credit risk and determine whether to extend credit.

**FHFA US House Price Index**® (HPI) is the nation's only collection of public, freely available house price indexes that measure changes in single-family home values based on data from all 50 states and over 400 American cities that extend back to the mid-1970s.

**Owner's Equivalent Rent** (OER) is the amount of rent that would have to be paid in order to substitute a currently owned house as a rental property. This value is also referred to as rental equivalent. In other words, OER figures the amount of monthly rent that would be equivalent to the monthly expenses of owning a property (e.g. mortgage, taxes, etc.).

**P & I** refers to principal and interest payment.

**Seasonally Adjusted Annual Rate** (SAAR) data have been adjusted for the effects of seasonal patterns.

**S&P CoreLogic Case-Shiller US National Home Price NSA Index** measures the change in the value of the U.S. residential housing market by tracking the purchase prices of single-family homes.

**US MBA Purchase Index** (Mortgage Bankers Association of America) includes all mortgage applications for the purchase of a single-family home. It covers the entire market, both conventional and government loans, and all products. The Purchase Index has proven to be a reliable indicator of impending home sales.

**Year over Year** (YoY) is a calculation that helps compare growth over the previous 12 months and automatically negates the effect of seasonality.

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