



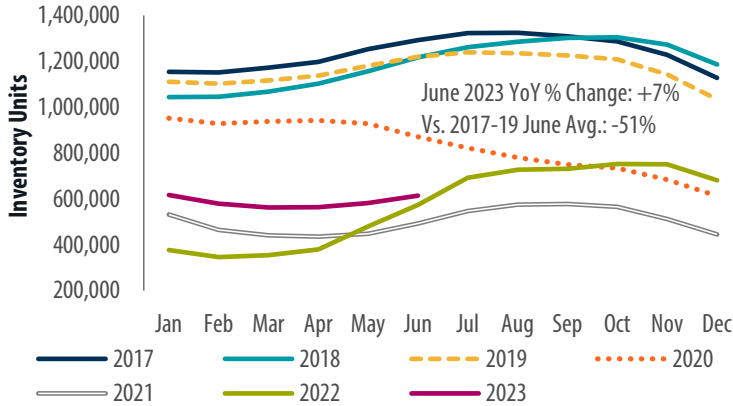
HOUSING TRACKER

July 2023

The Double-Edged Mortgage Rate Sword Continues to Keep Housing Activity at Bay.

With Few Reasons to Sell, Homeowners Remain Locked-In. Existing Inventory is Likely to Turn Negative Year-over-Year (YoY) in July.

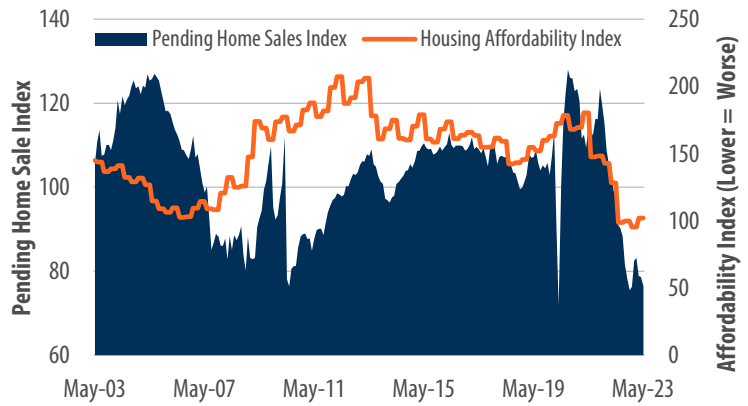
Active Listings: 1/1/2017 - 6/1/2023



Source: Realtor.com® Economic Research.

Sales Have Rebounded Marginally Alongside Spring Seasonals and Slightly Improved Affordability, Yet Volumes Remain Historically Low.

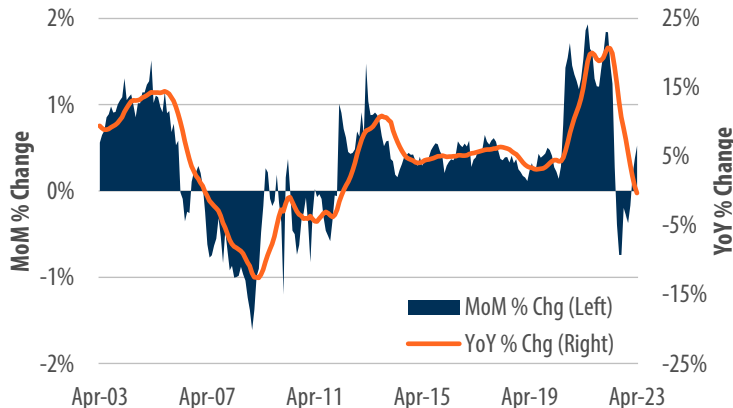
5/31/2003 - 5/31/2023



Source: National Association of Realtors. Affordability Index as of Q1 2023, latest available data.

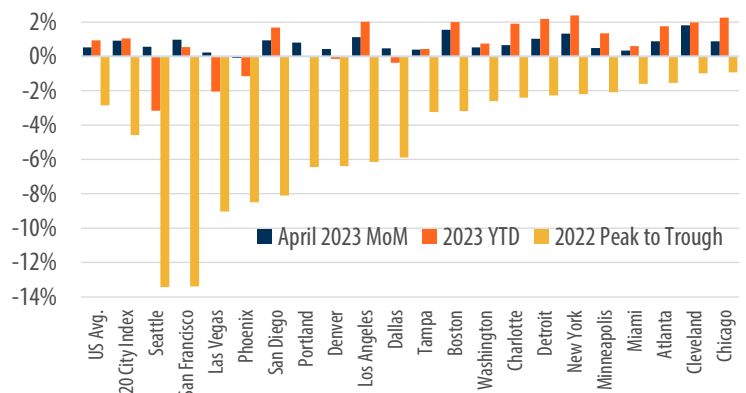
19 Cities in the 20 City Index Experienced Month-over-Month (MoM) Gains in April. With Fading Seasonals and Macroeconomic Risks Ahead, We Remain Cautious Around Calling a Definitive Bottom for Prices.

Case-Shiller MoM and YoY % Change in SA Home Price Index. 4/30/2003 to 4/30/2023



Source: S&P/Case-Shiller, latest available data. Seasonally Adjusted (SA)

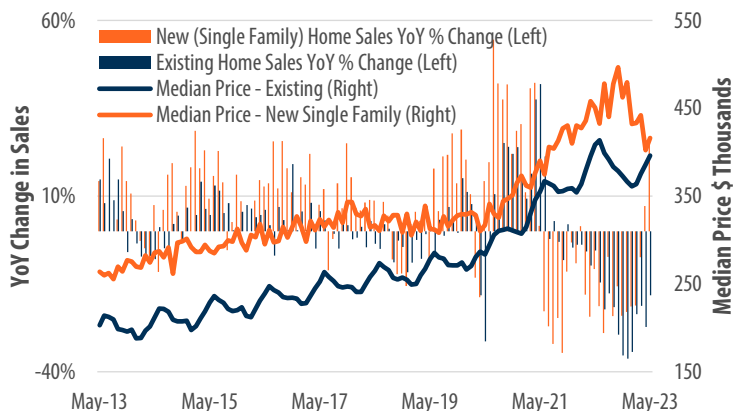
Change in Home Price Index SA as of 4/28/2023



Source: S&P/Case-Shiller. Latest available data.

Compared to Existing Homes, Builders Have Been More Aggressive Around Pricing Incentives to Capture a Greater Share of Today's Limited Demand.

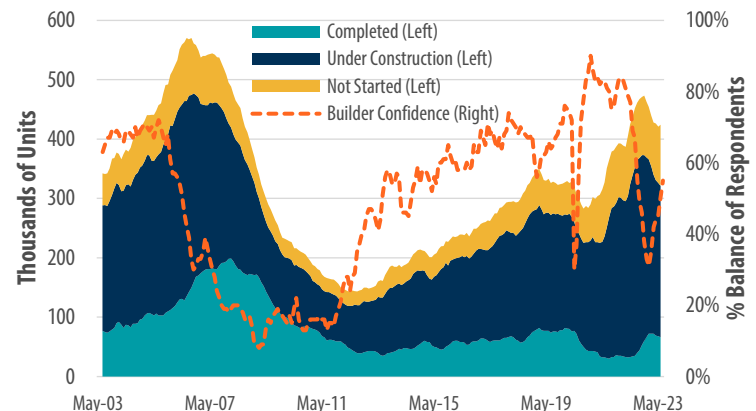
5/31/2003 - 5/31/2023



Source: National Association of Realtors, Census.

With New Home Sales Turning Positive, Builders have Cleared Inventory Faster Than Expected, Leading to Recent Improvement in Builder Confidence.

6/30/2003 - 6/30/2023. Inventory updated as of 5/31/2023



Source: National Association of Realtors, Census, National Association of Home Builders.



HOUSING TRACKER

July 2023

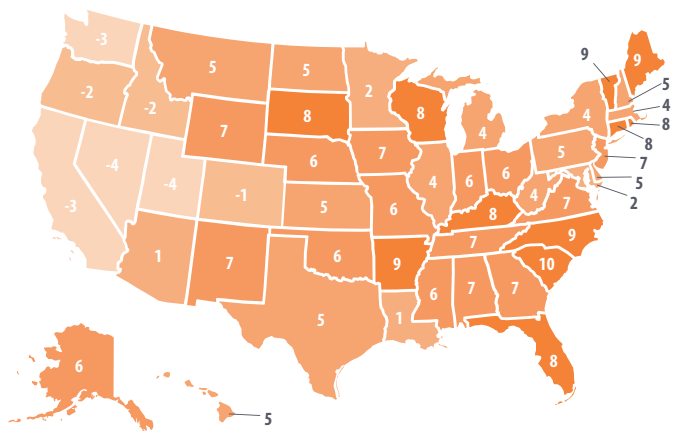
Regional Themes such as Tech Exposure and Migration Continue to Drive Dispersion Between Housing Markets. However, in Recent Months, Even the Weaker Pacific and Mountain Regions have Seen Lock-In Outweigh Regional Issues, with Active Listings Falling Substantially.

Home Price Inventory - FHFA US House Price Purchase Only Index, NSA

Region	Home Price - YoY (%) Change (NSA)		Active Listings - YoY (%) Change			
	Mar '22 - Mar '23	Apr '22 - Apr '23	Mar '22 - Mar '23	Apr '22 - Apr '23	May '22 - May '23	Jun '22 - Jun '23
United States	3.7	3.1	58.9	48.3	21.5	7.1
East North Central	5.5	5.2	15.0	9.8	(6.0)	(12.3)
East South Central	6.7	6.0	81.6	69.8	43.1	24.4
Middle Atlantic	5.0	5.6	6.4	3.4	(7.6)	(12.9)
Mountain	(2.0)	(2.4)	102.2	73.1	32.4	5.5
New England	5.5	6.2	13.5	5.6	(8.4)	(17.8)
Pacific	(3.0)	(3.7)	42.8	24.2	(3.4)	(14.6)
South Atlantic	6.2	5.2	93.5	78.5	41.7	21.0
West North Central	5.4	4.0	355	28.9	15.4	9.2
West South Central	4.7	3.3	100.7	90.5	60.2	40.0

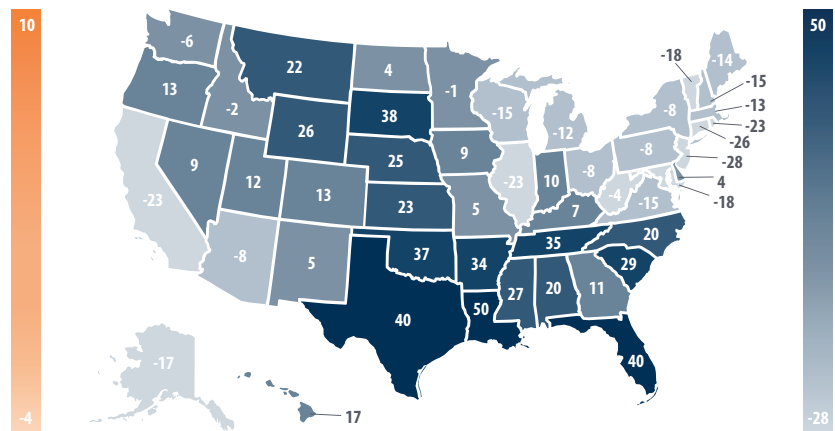
Source: FHFA, National Association of Realtors

Year-over-Year (%) Home Price Change from Q1 2022 to Q1 2023



Source: FHFA

Year-over-Year (%) Active Listings Change from June 2022 to June 2023



Source: National Association of Realtors

DEFINITIONS

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.

Month-over-Month (MoM) is a calculation that helps compare growth over the previous month and automatically negates the effect of seasonality.

S&P CoreLogic Case-Shiller US National Home Price NSA Index is the national home price index, which covers nine major census divisions and is calculated on a monthly basis.

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

US MBA Purchase Index is the Mortgage Bankers Association's weekly measurement of nationwide home loan applications.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.