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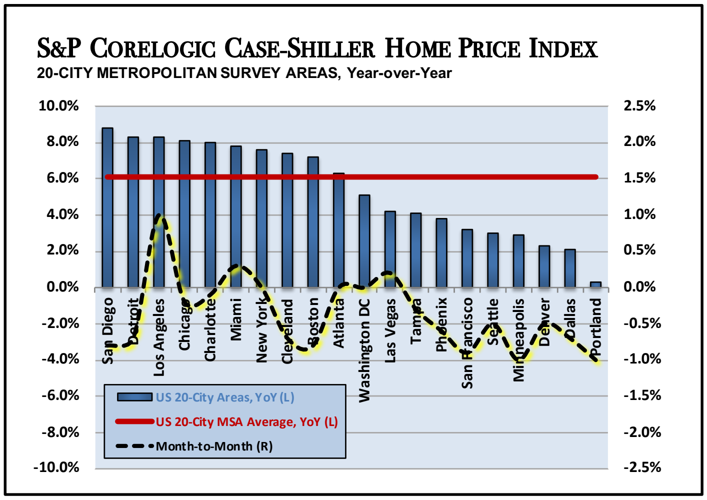
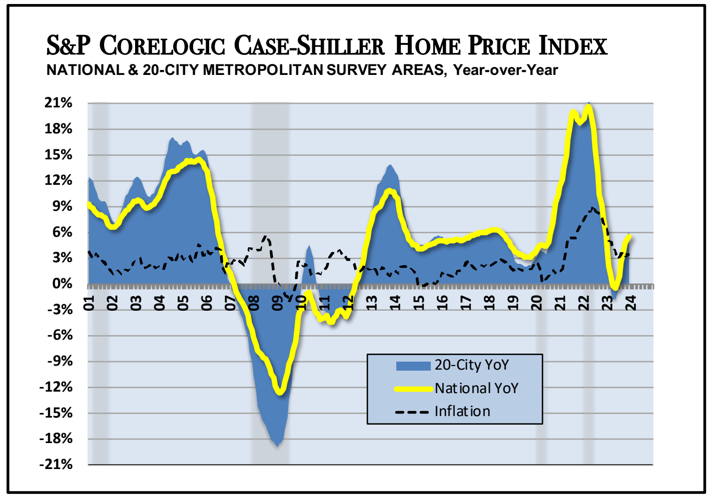
HOME PRICES





	2020 Dec	2021 Dec	2022 Dec	2023 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Year-over-Year:														
National	10.4%	18.9%	5.8%	2.0%	0.7%	-0.2%	-0.5%	0.0%	1.0%	2.6%	3.9%	4.8%	5.1%	5.5%
20-City Index	10.2%	18.5%	4.6%	0.4%	-1.1%	-1.7%	-1.7%	-1.2%	1.0%	2.2%	3.9%	4.9%	5.4%	6.1%
Change in National Home Price Index														
Home Price Index	235.7	280.2	294.7	293.2	297.1	301.1	305.2	308.3	310.2	309.1	311.2	313.3	312.2	314.3
- Peak to Trough	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%
- Since 2006 Peak	28%	52%	60%	59%	61%	63%	65%	67%	68%	67%	69%	70%	69%	70%
- Since 2012 Trough	76%	109%	120%	119%	122%	125%	128%	130%	131%	131%	132%	134%	133%	135%

HOME PRICES REPORT AND CU STRATEGY

(February 2024)......S&P Dow Jones Indices reported their S&P CoreLogic Case-Shiller National Home Price Index, a leading measure of U.S. home prices, **increased 0.4%** over a 12 month period ended December 31, 2023.

Within its 20-City Home Price Index,10 cities reported year-over-year decline. Detroit, San Diego and Cleveland reported the highest year-over-year gains among those surveyed. Portland, Denver and San Diego reported the greatest year-over-year declines. Ten of the 20 MSAs reported month-over-month increases.

As of November 2023, average national home prices have recovered 133% percent since their 2012 low and are currently 69 percent from their previous 2006 peak - this after having declined over 27 percent between 2006 and 2012.

Strategically... This was the fifth year-over-year upward shift after 15 consecutive monthly year-over-year declines. Volatility still remains in credit union loan portfolios that have been underwritten during a relatively low rate environment at elevated valuations. It portends to a possible decline in relative collateral value and an increase in respective loan-to-asset metrics. If an economic recession continues or gets deeper, the association between member wages and price deceleration could impact credit mitigation metrics.

If the economy experiences deeper recessionary pressures, this could lead to rising default, foreclosures and write-offs. Mortgage foreclosure starts rose again in Q3 and are 125% greater than one year ago.

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