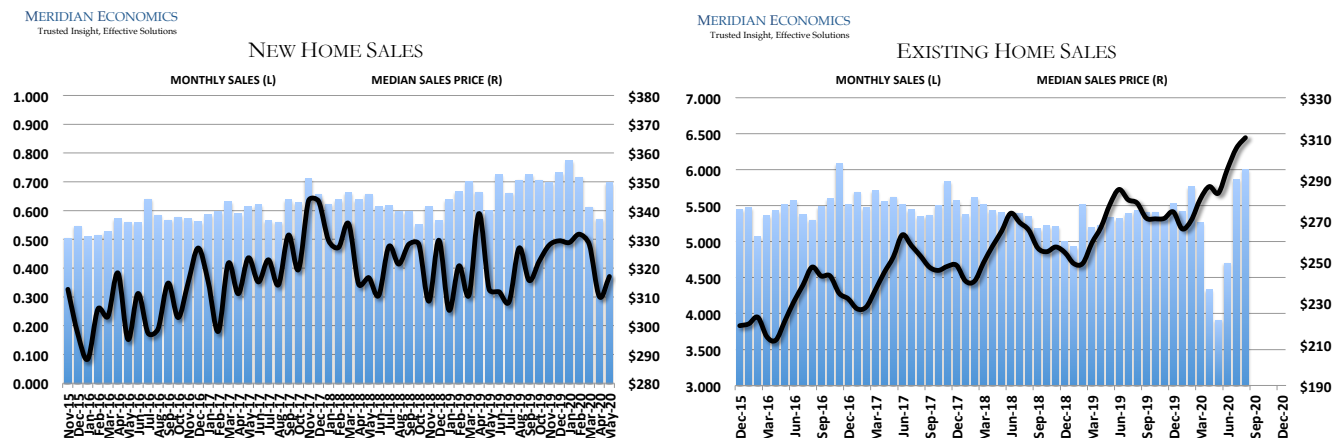


## HOME SALES



	Aug 2019	2020 Feb	Mar	Apr	May	2020 Jun	Jul	Aug	Previous Years		
									2017	2018	2019
Existing SF Home Sales (Mil)	5.430	5.760	5.270	4.330	3.910	4.700	5.860	6.000	5.570	5.000	5.530
Avg Sales Price (000s)	\$278.8	\$270.4	\$280.7	\$286.8	\$283.6	\$295.3	\$305.5	\$310.6	\$248.5	\$254.7	\$274.5
New SF Home Sales (Mil)	0.706	0.716	0.612	0.570	0.698	0.841	0.965	1.011	0.773	0.588	0.723
Avg Sales Price (000s)	\$327.0	\$331.8	\$328.2	\$310.1	\$317.1	\$337.7	\$327.8	\$312.8	\$315.6	\$322.8	\$329.5
Total Sales (Mils)	6.136	6.476	5.882	4.900	4.608	5.541	6.825	7.011	6.343	5.588	6.253
Monthly Change	-	0.340	-0.594	-0.982	-0.292	0.933	1.284	0.186	-	-	-
Avg Sales Price (000s)	\$284.3	\$277.2	\$285.6	\$289.5	\$288.7	\$301.7	\$308.7	\$310.9	\$256.7	\$261.9	\$280.9
Homes on the Market (000s)	1.006	1.177	0.905	0.721	0.869	1.289	1.896	2.125	1.153	0.798	1.158
Inventory Capacity (Mos)	6.1	5.5	6.5	6.8	5.3	4.3	3.6	3.3	5.5	7.0	5.4

HOME SALES REPORT AND CU STRATEGY

**(September 2020)**..... The aggregate of new and existing home sales in March increased by 186 thousand units to annualized pace of 7.0 million homes. New home sales totaled 1.0 million and Existing Home Sales increased to 6.0 million. The average sales price for a new home sold was \$313 thousand and \$311 thousand for an existing home.

With the number of homes on the market, based on the current pace of sales, the housing market has an inventory capacity of about 3.3 months - the lowest since March 2004.

Demand after the coronavirus has been somewhat absorbed by recent declines in financing rates. Moreover, the decline in average fixed rate mortgage rates have also helped to support both borrowers and sellers by keeping average prices from declining. This is also expected to sustain recent refinancing share of originations.

We expect to see monthly sales stabilize in both existing and new home sales categories over the next few months, despite financing rates remaining near historical lows. This will decrease the number of purchase application but sustain a certain number of refinancing applications through the summer.