



ECONOMIC FORECAST

April 2021

| | 2020 | | | 2021 | | | | 2022 | | | |
|--|------|----|----|------|----|----|----|------|----|----|----|
| | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |

ECONOMIC OUTLOOK

Economic Growth-

| | | | | | | | | | | | |
|-----------------------------|--------|-------|-------|------|------|------|-------|------|-------|-------|-------|
| GDP - (QoQ) | -31.4% | 33.1% | 4.1% | 6.4% | 8.4% | 7.3% | 4.7% | 3.7% | 2.5% | 2.3% | 1.7% |
| GDP - (YTD) | -18.2% | -1.1% | 0.2% | 6.4% | 7.4% | 7.4% | 6.7% | 3.7% | 3.1% | 2.8% | 2.6% |
| Consumer Spending - (QoQ) | -33.2% | 40.7% | 2.3% | 9.2% | 6.7% | 5.9% | 5.8% | 4.0% | 3.2% | 2.4% | 2.0% |
| Consumer Spending - (YTD) | -20.1% | 0.2% | 0.8% | 9.2% | 8.0% | 7.3% | 6.9% | 4.0% | 3.6% | 3.2% | 2.9% |
| Government Spending - (QoQ) | 2.5% | -4.9% | -1.2% | 8.5% | 7.7% | 0.0% | -0.6% | 0.7% | -2.2% | -0.1% | -0.6% |
| Government Spending - (YTD) | 1.9% | -0.4% | -0.6% | 8.5% | 8.1% | 5.4% | 3.9% | 0.7% | -0.8% | -0.5% | -0.6% |

Consumer Wealth-

| | | | | | | | | | | | |
|--------------------|-------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|
| Unemployment Rate | 13.0% | 8.8% | 6.7% | 6.1% | 5.5% | 4.8% | 4.5% | 4.4% | 4.3% | 4.3% | 4.2% |
| Consumer Inflation | 0.4% | 1.2% | 1.4% | 1.9% | 3.2% | 2.5% | 2.2% | 2.0% | 2.2% | 2.2% | 2.3% |
| Home Prices | 4.4% | 5.9% | 9.7% | 10.8% | 12.0% | 12.3% | 12.5% | 11.8% | 11.5% | 11.5% | 11.4% |

SINGLE FAMILY HOME & VEHICLE LOAN MARKETS

Consumer Demand-

| | | | | | | | | | | | |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Home Sales (Mil) | 5.016 | 7.100 | 7.650 | 7.247 | 7.238 | 7.283 | 7.356 | 7.379 | 7.434 | 7.480 | 7.523 |
| Existing Home (Mil) | 4.313 | 6.127 | 6.777 | 6.353 | 6.326 | 6.341 | 6.390 | 6.393 | 6.424 | 6.456 | 6.492 |
| New Home Sales (Mil) | 0.703 | 0.973 | 0.873 | 0.894 | 0.912 | 0.942 | 0.966 | 0.986 | 1.010 | 1.024 | 1.031 |
| Single Family Homes (Mils) | 3.052 | 3.497 | 3.578 | 3.231 | 2.902 | 1.871 | 1.634 | 1.422 | 1.698 | 1.638 | 1.530 |
| Purchase Apps (Mils) | 1.203 | 1.427 | 1.350 | 1.000 | 1.465 | 1.331 | 1.248 | 1.029 | 1.329 | 1.277 | 1.187 |
| Refinancing Apps (Mils) | 1.849 | 2.070 | 2.235 | 2.230 | 1.437 | 0.540 | 0.385 | 0.393 | 0.368 | 0.361 | 0.343 |
| Refi Apps Share | 61% | 59% | 62% | 69% | 50% | 29% | 24% | 28% | 22% | 22% | 22% |
| Vehicle Sales (Mil) | 11.6 | 15.7 | 15.8 | 16.7 | 18.2 | 18.5 | 17.9 | 16.8 | 17.0 | 17.3 | 17.8 |

MARKET RATE OUTLOOK

Benchmark Rates-

| | | | | | | | | | | | |
|-----------|------|------|------|------|------|------|------|------|------|------|------|
| Prime | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% | 3.3% |
| Fed Funds | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| 3yr UST | 0.2% | 0.2% | 0.2% | 0.3% | 0.3% | 0.4% | 0.4% | 0.4% | 0.5% | 0.5% | 0.5% |
| 10yr UST | 0.7% | 0.6% | 0.9% | 1.3% | 1.8% | 1.9% | 2.0% | 2.1% | 2.3% | 2.5% | 2.6% |

Market Rates-

| | | | | | | | | | | | |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|
| 5yr Vehicle Loan Rate | 3.3% | 3.2% | 3.1% | 3.1% | 3.0% | 3.1% | 3.1% | 3.2% | 3.3% | 3.3% | 3.5% |
| 15yr First-lien Mortgage | 3.2% | 3.0% | 2.7% | 2.8% | 2.9% | 3.0% | 3.2% | 3.3% | 3.5% | 3.5% | 3.6% |
| 30yr First-lien Mortgage | 3.2% | 3.0% | 2.8% | 2.9% | 3.4% | 3.6% | 3.7% | 3.9% | 4.1% | 4.3% | 4.4% |