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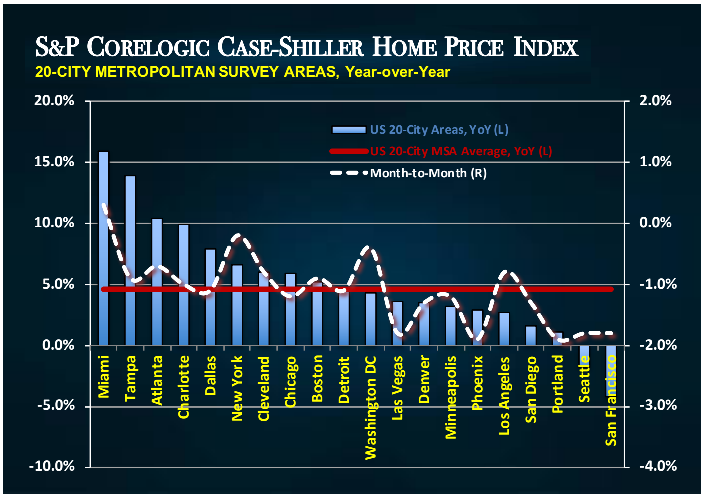
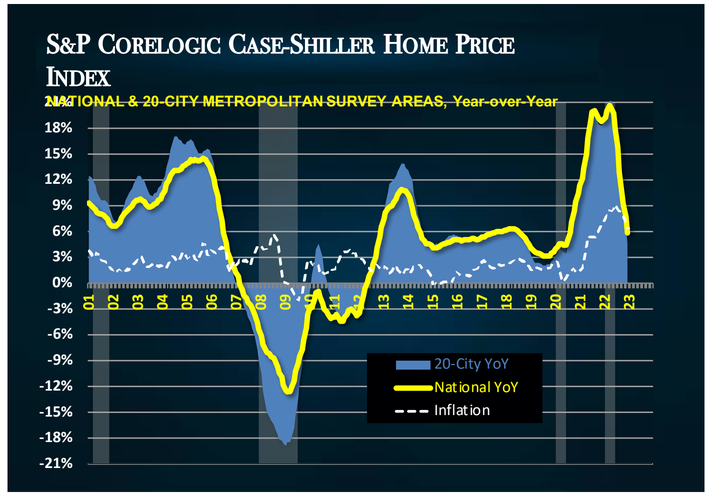
HOME PRICES





	2019 Dec	2020 Dec	2021 Dec	2022 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Year-over-Year:														
National	**3.7%**	**10.4%**	**18.9%**	**20.1%**	**20.6%**	**20.4%**	**19.7%**	**18.0%**	**15.8%**	**13.0%**	**10.4%**	**9.2%**	**7.7%**	**5.8%**
20-City Index	**2.8%**	**10.2%**	**18.5%**	**20.3%**	**21.1%**	**21.2%**	**20.5%**	**18.6%**	**16.1%**	**13.1%**	**10.6%**	**8.6%**	**6.8%**	**4.6%**
Change in National Home Price Index														
Home Price Index	**213.6**	**235.7**	**280.2**	**290.4**	**296.6**	**301.0**	**306.0**	**308.2**	**307.5**	**303.8**	**300.4**	**299.0**	**297.3**	**294.7**
- Peak to Trough	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%	-27%
- Since 2006 Peak	16%	28%	52%	57%	61%	63%	66%	67%	67%	65%	63%	62%	61%	60%
- Since 2012 Trough	59%	76%	109%	117%	121%	125%	128%	130%	129%	127%	124%	123%	122%	120%

HOME PRICES REPORT AND CU STRATEGY

(February 2023)......S&P Dow Jones Indices reported their S&P CoreLogic Case-Shiller National Home Price Index, a leading measure of U.S. home prices, **rose 5.8% over a 12 month period ended December 31, 2022**.

Within its 20-City Home Price Index, all 20 cities reported higher year-over-year. Miami, Tampa and Atlanta reported the highest year-over-year gains among those surveyed. San Francisco, Seattle and Portland reported the least year-over-year increase.

As of **December 2022**, average national home prices have recovered 120% percent since their 2012 low and are currently 60 percent from their previous 2006 peak - this after having declined over 27 percent between 2006 and 2012.

Strategically... Despite the positive year-over-year metric, The pace of home price appreciation dropped - the ninth consecutive year-over-year downward trend and the largest relative drop since 2009 . This demonstrates that the nation's housing sector is starting to reflect peaks in what indicates the elevated price increases experienced over the past couple of years. During this time, home prices have accelerated at a pace more than 1.5- to 2-times the rate of inflation.

This also is a concern for 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 experience a even deeper recessionary pressure, this could lead to rising default, foreclosures and write-offs. Mortgage foreclosure starts are rising from the previous quarter and 104% than one year ago.

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