



National Home Prices Continue to Rise

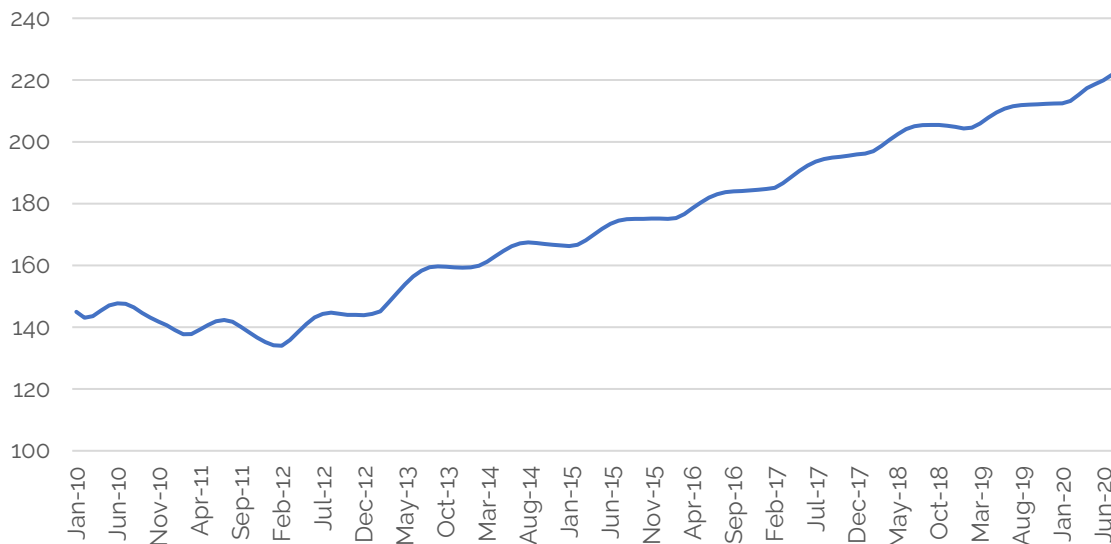
September 29, 2020 –

The S&P CoreLogic Case-Shiller home price index was released today tracking home prices through July 31, 2020. While the data is on a two (2) month lag, the report confirms what many already know – that demand is strong for residential homes and supply is limited. This is driven in part by historically low mortgage interest rates, increase in personal savings over the summer months and an increase in the ability for individuals to work remotely.

While there is no likely catalyst that has been identified to derail these supply and demand dynamics, markets will continue to watch mortgage delinquency and default trends as foreclosure and eviction moratoriums expire and government stimulus fades. Volatility in credit markets is expected to continue as we approach the U.S. presidential election, COVID vaccine timing and efficacy ebbs and flows, and COVID flare-ups are announced.

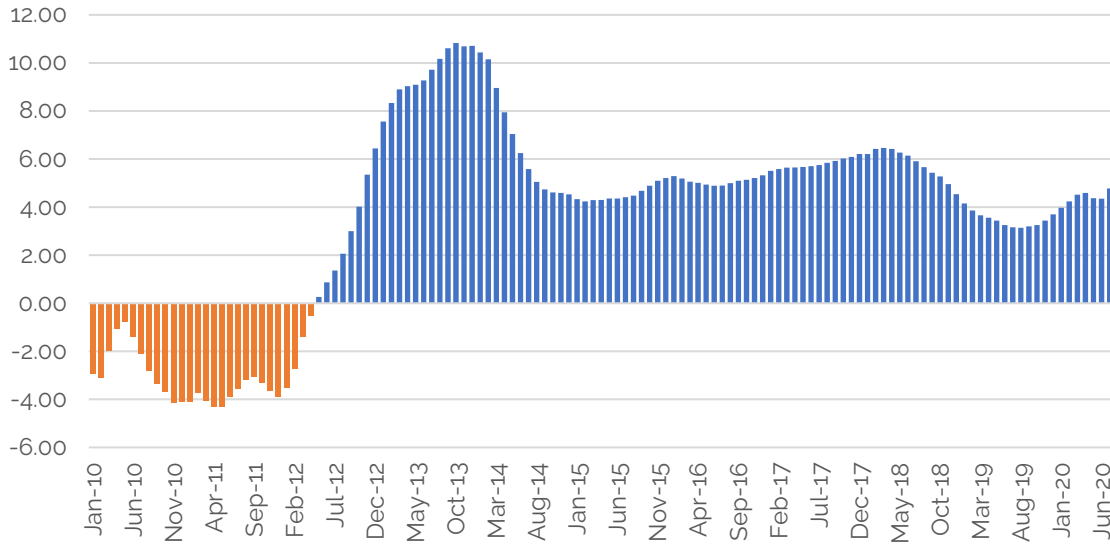
What could derail demand for residential housing? A rise in interest rates? While very few are talking or thinking about the possibility of rising rates, that seems to be the time markets should be preparing for such an event. For now, prices continue to rise.

U.S. NATIONAL HOME PRICE INDEX



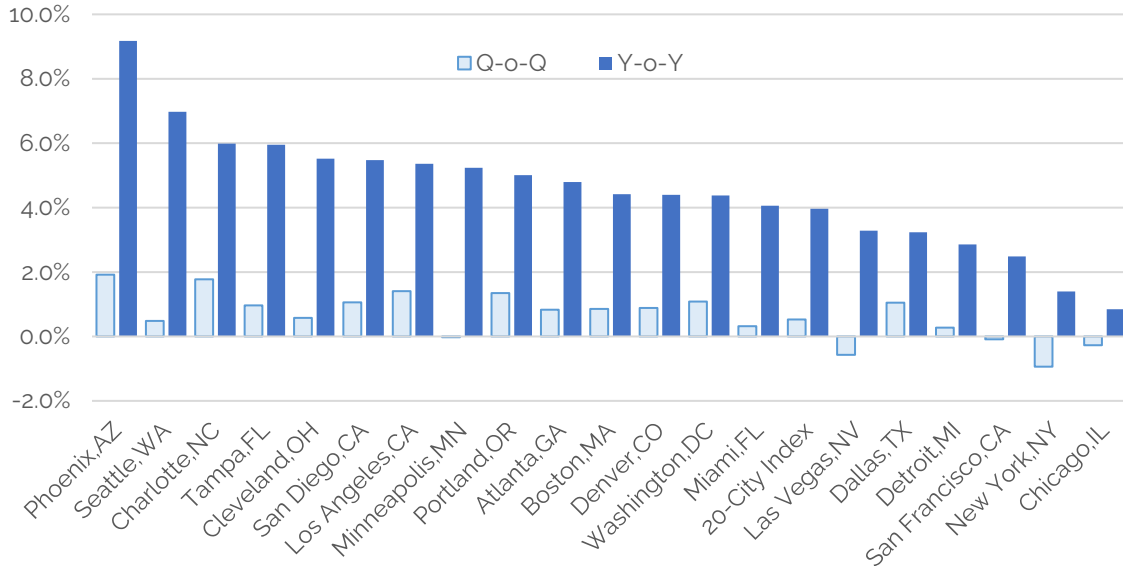
Source: S&P Case Shiller National Home Price Index (NSA)

**U.S. NATIONAL HOME PRICES
YEAR-OVER-YEAR CHANGE**



Source: S&P Case Shiller National Home Price Index (NSA)

**20-CITY HOME PRICE INDEX
MONTH-OVER-MONTH & YEAR-OVER-YEAR CHANGE**



Source: S&P Case Shiller National Home Price Index