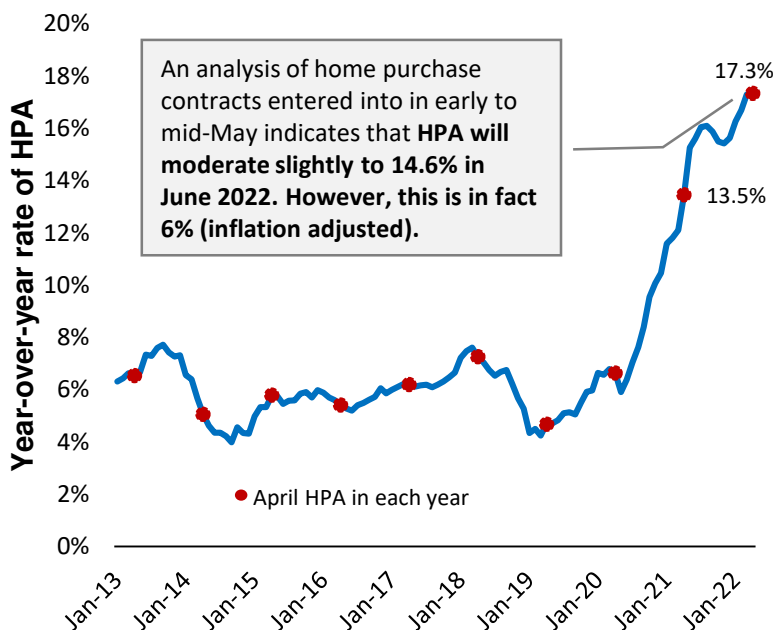


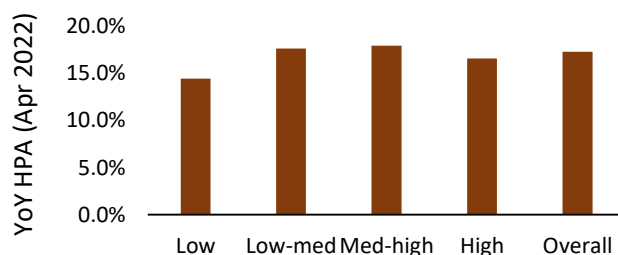
Home Price Appreciation (HPA) Index – April 2022

Year-over-year HPA for April 2022 came in at 17.3% – level with the revised number for March 2022. HPA is projected to moderate slightly to 14% in June 2022 due to the increasing rates.

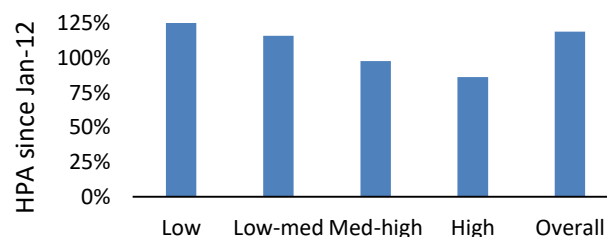
1 National HPA for April 2022 averaged 17.3%-- level with a month ago and up from 13.5% a year ago.



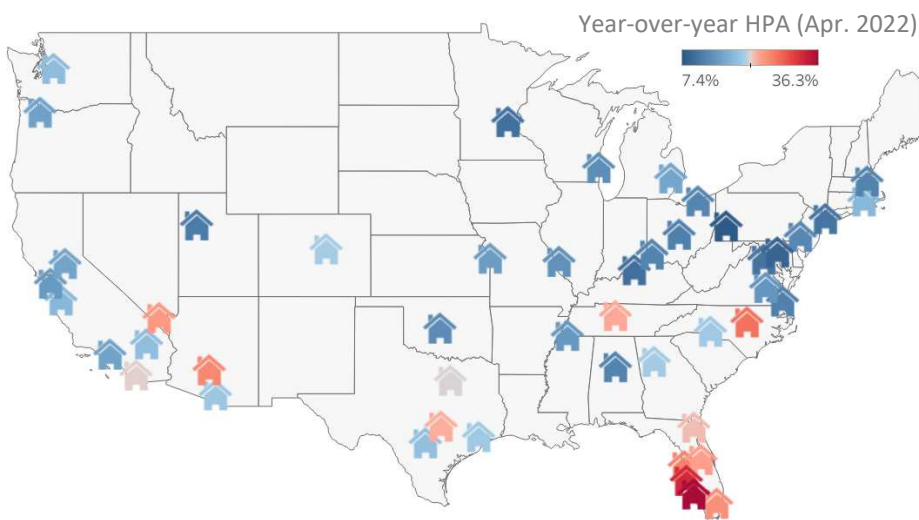
2 Low rates and inventories are driving high HPA growth across all price tiers.



3 Historically, HPA in the low price tier has outpaced HPA in the upper price tiers.



4 HPA varied significantly among the 50 largest metros. It ranged from 7% in Pittsburgh to 36% in Cape Coral.



Highest HPA Metros

Cape Coral, FL	36.3%
North Port, FL	33.0%
Raleigh, NC	27.6%

Lowest HPA Metros

Pittsburgh, PA	7.4%
Baltimore, MD	8.7%
Louisville, KY	10.0%

5 AEI expert commentary

“The rapid pace of HPA not only continued, but accelerated some, in April 2022. Of the 10 fastest HPA metros, 5 were in Florida (Cape Coral, North Port, Tampa, Miami and Orlando) and 3 in metros affected by California out-migration (Phoenix, Las Vegas and Austin). These increases are driven by an arbitrage opportunity enhanced by the work from home economy. As a result, we expect to see HPA in the mid-teens to continue throughout 2022.” – Ed Pinto

“Home prices in April increased a stunning 36% in Cape Coral, but that may be sustainable due to a massive supply-demand imbalance, at least over the near term. Cape Coral is still relatively affordable compared to many other Florida and California markets. The median Cape Coral home sold in February for about 25% the cost of the median home sold that month in San Jose.” – Tobias Peter

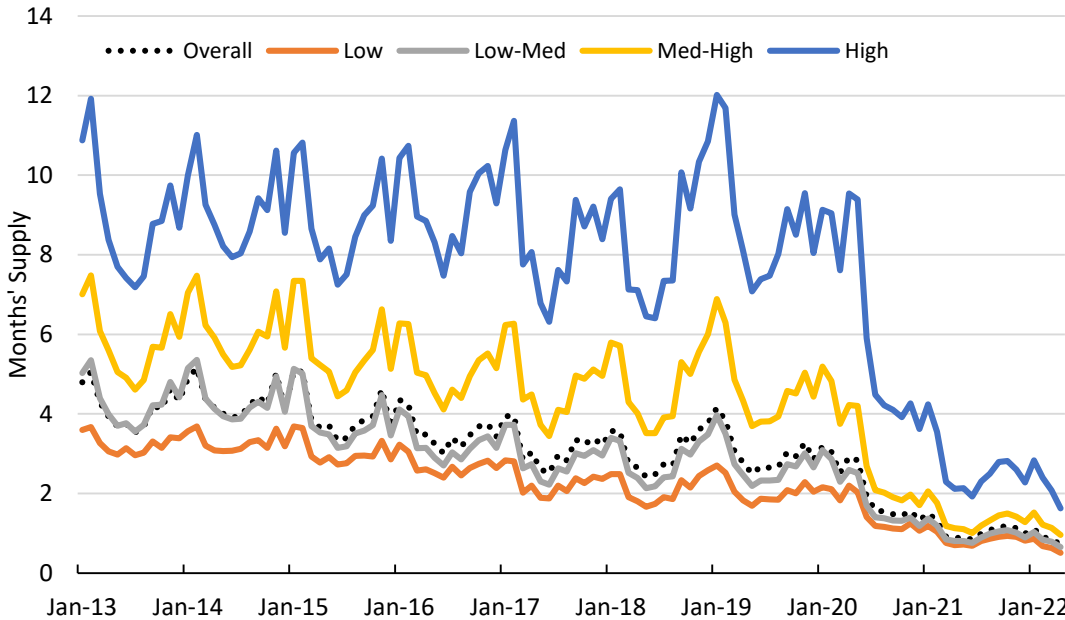


Months' Remaining Inventory – April 2022

Active listings reached a new series' low for April. This minuscule level of supply is creating an unhealthy market, whereby HPA has increased at double digits (y-o-y) for 18 months and is likely to continue at double digits through 2023.

6 Months' supply continues to be extremely tight across the nation and all price tiers.

Months' supply stood at 0.7 months in April 2022, down from 2.8 months in April 2019. This is the lowest level seen in our series.



Months' Supply by Price Tier in April

	2019	2022
Overall	2.8	0.7
Low	1.8	0.5
Low-med	2.5	0.7
Med-high	4.3	1.0
High	8.1	1.6

Across the nation, 6 months' supply is generally considered the demarcation point between a buyer's and seller's market. The lower the supply, the faster the HPA and vice versa.

7 Housing inventory reached a new series' low for the month of April.

Active listings increased in April—mimicking pre-pandemic seasonal trends experienced in 2017, 2018, and 2019. April 2022 inventory was still down 9% from the already low level of April 2021 and both stand at about a third of their 2017-2020 levels. We are a very long way away from a healthy level of supply.

