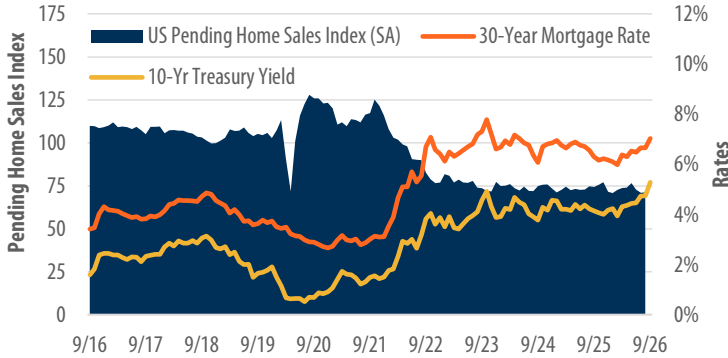




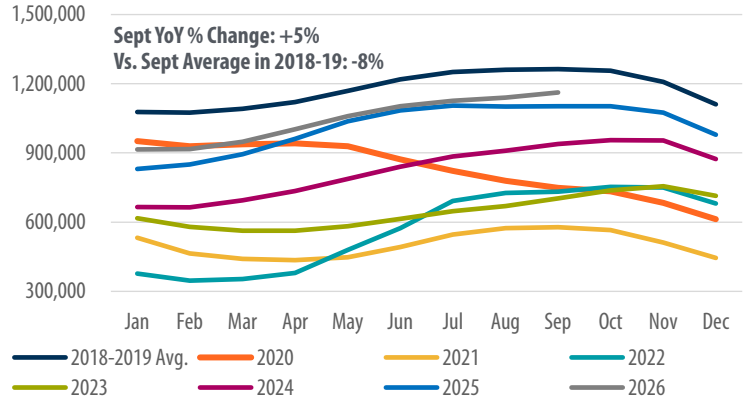
"No Simple Fix for Housing" Quickly Reverts Focus to the Rates Chokehold

Mortgage Rates Once Again Approaching Recent Highs, Continuing to Strangle Sales Activity.



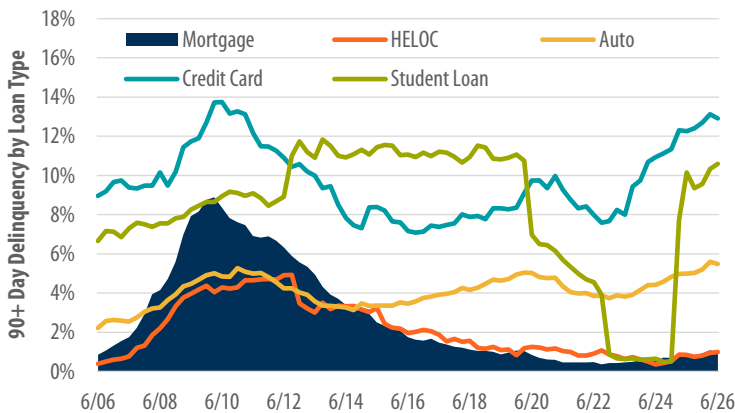
Source: National Association of Realtors, Freddie Mac, Bloomberg. Seasonally Adjusted (SA). September 30, 2016 to September 30, 2026. Pending Sales as of August 31, 2026, latest data available.

Yet, For-Sale Inventory of Housing Remains Below Pre-COVID Averages.

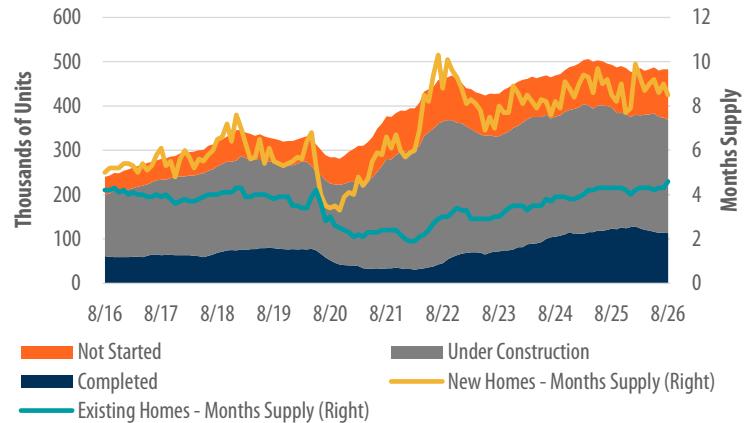


Source: Realtor.com® Economic Research. Data from January 2018 through September 2026.

Potential Sources of Additional Housing Supply Remain Tame. Mortgage Delinquency has Not Followed Consumer Loans Higher, while Builders Continue to Manage Their Completed/Under Construction Pipelines.

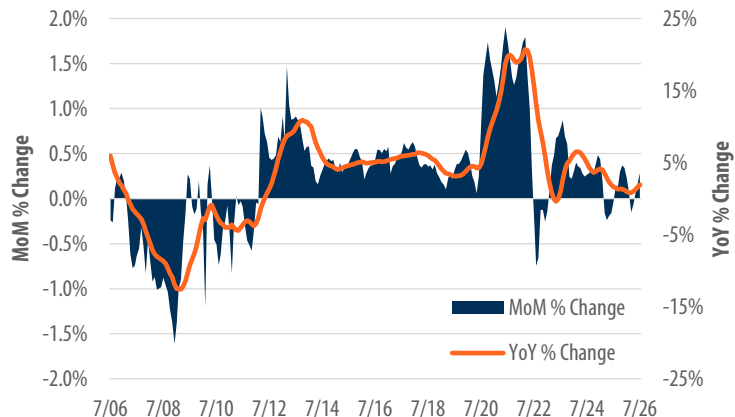


Source: New York Fed Consumer Credit Panel/Equifax. Q2 2006 to Q2 2026, latest data available. Home Equity Line of Credit (HELOC).

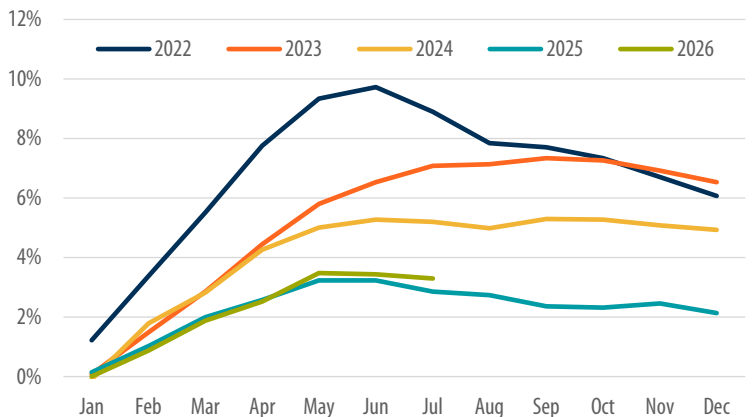


Source: National Association of Realtors, Census. Data from August 31, 2016 through August 31, 2026, latest data available.

Home Price Appreciation (HPA) Continues to Eke Out Gains. Home Price Growth Slowed at the end of 2025, which Creates an Easier Path for Year-End HPA to Finish in the Positive.



Source: S&P Cotality Case-Shiller. Data from July 31, 2006 through July 31, 2026, latest data available. Month-over-Month % (MoM) and Year-over-Year % (YoY) Change in Seasonally Adjusted Home Price Index.



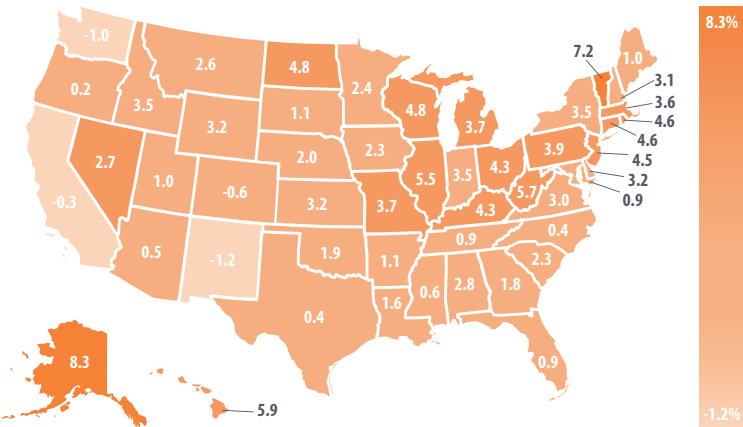
Source: YTD HPA Percent Change. FHFA US House Price Index Purchase Only NSA. Data from January 31, 2022 through July 31, 2026, latest data available.

Change in Home Prices - FHFA Purchase Only US House Price Index, NSA.

Region	Home Price - YoY (%) Change (NSA)		Active Listings - YoY (%) Change			
	June '25 - June '26	July '25 - July '26	June '25 - June '26	July '25 - July '26	Aug '25 - Aug '26	Sept '25 - Sept '26
United States	2.3	2.6	1.6	1.9	3.6	5.4
East North Central	4.9	4.4	9.2	10.2	11.5	12.1
East South Central	2.7	2.4	9.4	9.4	9.3	9.6
Middle Atlantic	3.5	6.2	7.2	6.7	7.4	9.7
Mountain	1.5	0.6	-0.3	0.1	3.0	5.4
New England	3.5	4.0	10.3	11.0	12.2	15.2
Pacific	0.4	0.8	-0.1	0.3	2.7	5.9
South Atlantic	1.8	1.8	-2.2	-2.1	-0.2	1.4
West North Central	2.5	2.8	4.5	7.9	9.1	10.3
West South Central	1.0	1.1	-0.1	-1.1	0.2	1.7

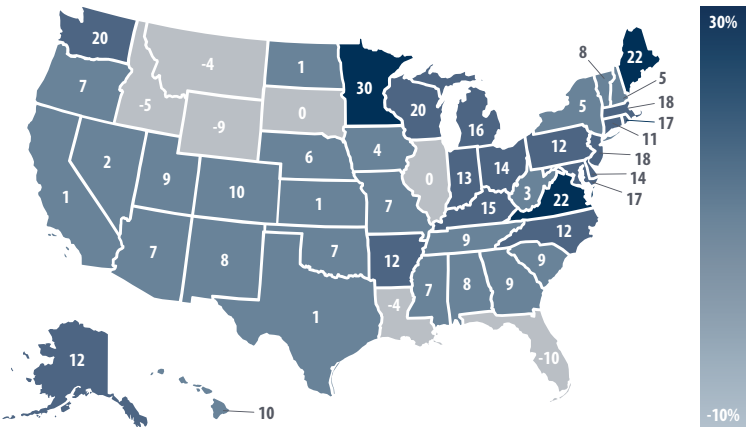
Source: FHFA, National Association of Realtors. Not Seasonally Adjusted (NSA).

Year-over-Year (%) Home Price Change from Q2 2025 to Q2 2026



Source: FHFA. Purchase only, not seasonally adjusted.

Year-over-Year (%) Active Listings Change from Sept. 2025 to Sept. 2026



Source: National Association of Realtors.

Definitions

FHFA US House Price Index® (HPI) is the nation's only collection of public, freely available house price indexes that measure changes in single-family home values based on data from all 50 states and over 400 American cities that extend back to the mid-1970s.

Month-over-Month (MoM) is a calculation that helps compare growth over the previous month and automatically negates the effect of seasonality.

Year-over-Year (YoY) is a calculation that helps compare growth over the previous 12 months and automatically negates the effect of seasonality.

S&P Cotality Case-Shiller U.S. National Home Price Index (Seasonally Adjusted) measures changes in the value of the US residential housing market by tracking the sale prices of single-family homes and is widely used as a barometer of the overall housing market.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.