

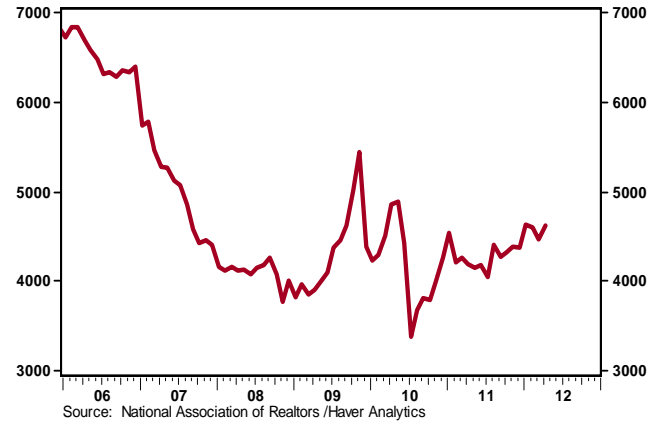
# April Existing Home Sales

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- Existing home sales rose 3.4% in April to an annual rate of 4.62 million units; basically matching the consensus expected 4.61 million units. Sales are up 10.0% versus a year ago.
- Sales in April were up in all four major regions. Most of the increase in overall sales was due to single-family homes. Multi-family sales also rose.
- The median price of an existing home rose to \$177,400 in April (not seasonally adjusted), and is up 10.1% versus a year ago. Average prices are up 7.4% versus last year.
- The months' supply of existing homes (how long it would take to sell the entire inventory at the current sales rate) rose to 6.6 in April. Although sales rose, the increase in inventories of homes for sale rose faster.

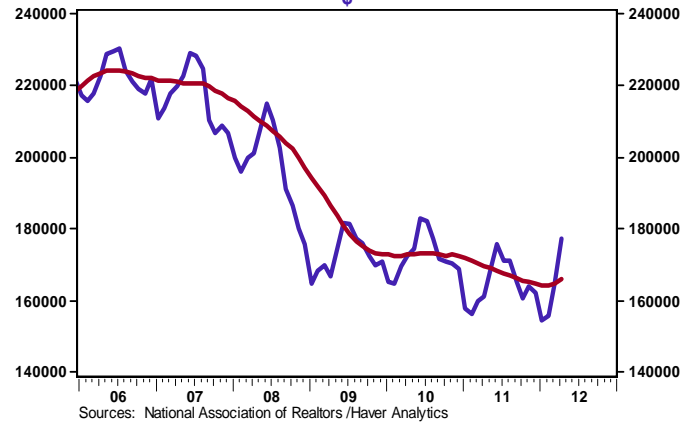
**Implications:** The housing recovery is definitely underway. Existing home sales rose 3.4% in April, and are up 10% from a year ago. The median price of an existing home is up 10.1% from a year ago, the largest yearly gain since January 2006. A big reason for this gain was fewer distressed sales and more sales of larger homes, a good sign for the economy moving forward. It still remains tough to buy a home. Despite record low mortgage rates, home buyers still face very tight credit conditions. Tight credit conditions would also explain why all-cash transactions accounted for 29 percent of purchases in April versus a traditional share of about 10 percent. Those with cash are able to take advantage of home prices that are extremely low relative to fundamentals (such as rents and replacement costs); for them, it's a great time to buy. With credit conditions remaining tight, we don't expect a huge increase in home sales any time soon, but the housing market is definitely on the mend. In other news today, the Richmond Fed index, which measures manufacturing activity in mid-Atlantic states, fell to +4 in May from +14 in April. The decline came in well below consensus expectations of +11.

**NAR Total Existing Home Sales, United States**  
 SAAR, Thous



**NAR Median Sales Price: Total Existing Homes, United States**  
 12-month Moving Average \$

**NAR Median Sales Price: Total Existing Homes, United States**  
 \$



Existing Home Sales	Apr-12		Mar-12	Feb-12	3-month	6-month	Yr to Yr
	%Ch.	level					
<i>Seasonally Adjusted Unless Noted, Levels in Thous.</i>							
<b>Existing Home Sales</b>	<b>3.4%</b>	<b>4620</b>	4470	4600	4563	4517	10.0
<b>Northeast</b>	<b>5.1%</b>	<b>620</b>	590	590	600	587	19.2
<b>Midwest</b>	<b>1.0%</b>	<b>1030</b>	1020	1020	1023	1005	14.4
<b>South</b>	<b>3.5%</b>	<b>1790</b>	1730	1770	1763	1748	6.5
<b>West</b>	<b>4.4%</b>	<b>1180</b>	1130	1220	1177	1177	7.3
<b>Median Sales Price (\$, NSA)</b>	<b>7.6%</b>	<b>177400</b>	164800	155600	165933	163100	10.1

Source: National Association of Realtors