

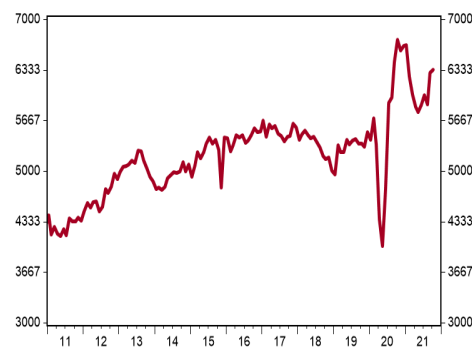
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October Existing Home Sales

- Existing home sales increased 0.8% in October to a 6.340 million annual rate, beating the consensus expected 6.200 million. Sales are down 5.8% versus a year ago.
- Sales in October rose in the Midwest and South, remained unchanged in the West, and fell in the Northeast. The increase was due entirely to single-family homes. Sales of condos/co-ops fell in October.
- The median price of an existing home rose to \$353,900 in October (not seasonally adjusted) and is up 13.1% versus a year ago. Average prices are up 8.2% versus last year.

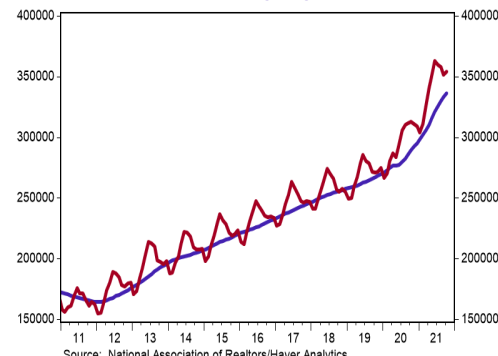
Implications: Existing home sales continued to climb in October, eking out a gain on the heels of September’s increase, which was the largest in a year. Since the pandemic hit US shores in early 2020, sales of existing homes have been through a wild ride, as the nearby chart shows. Now it looks like the upward trend in sales is returning despite buyers’ ongoing struggle with higher prices and lack of supply. The number of listed, but unsold, existing homes was 1.25 million in October, the lowest number for any October on record (dating back to 1999). Our expectation is that listings will move upward again, at least on a seasonally adjusted basis, as virus fears fade and sellers feel more comfortable showing their homes. Meanwhile, the months’ supply of existing homes for sale (how long it would take to sell today’s inventory at the current sales pace) was unchanged at 2.4 months in October, remaining near record lows. Despite the ongoing shortage of listings, there is still significant pent-up demand from the pandemic, with buyer urgency so strong in October that 82% of existing homes sold on the market for less than a month. The combination of strong demand and sparse supply has pushed median prices up 13.1% in the past year, but the good news is that price gains have decelerated significantly since hitting a year-to-year gain of 23.6% in May. Sales in 2021 are on track to be the highest for any calendar year since 2006 and we expect another solid year in 2022 as more inventory becomes available and price gains moderate. Millennials are now the largest living generation in the US and have begun to enter the housing market in force, making up over 50% of new mortgage issuance for the first time in 2019. This represents a demographic tailwind for sales for the foreseeable future.

NAR Total Existing Home Sales, United States
SAAR, Thous



Source: National Association of Realtors/Haver Analytics

Existing Homes: Median Sales Price
Existing Homes: Median Sales Price
12-month Moving Average



Source: National Association of Realtors/Haver Analytics

Existing Home Sales	Oct-21		Sep-21	Aug-21	3-month	6-month	Yr to Yr
	% Ch.	level	level	level	moving avg.	moving avg.	% Change
<i>Seasonally Adjusted Unless Noted, Levels in Thous.</i>							
Existing Home Sales	0.8%	6340	6290	5880	6170	6027	-5.8
Northeast	-2.6%	750	770	730	750	742	-13.8
Midwest	4.2%	1500	1440	1370	1437	1387	-6.3
South	0.4%	2780	2770	2550	2700	2653	-3.5
West	0.0%	1310	1310	1230	1283	1245	-5.1
Median Sales Price (\$, NSA)	0.8%	353900	351200	357700	354267	355917	13.1

Source: National Association of Realtors