

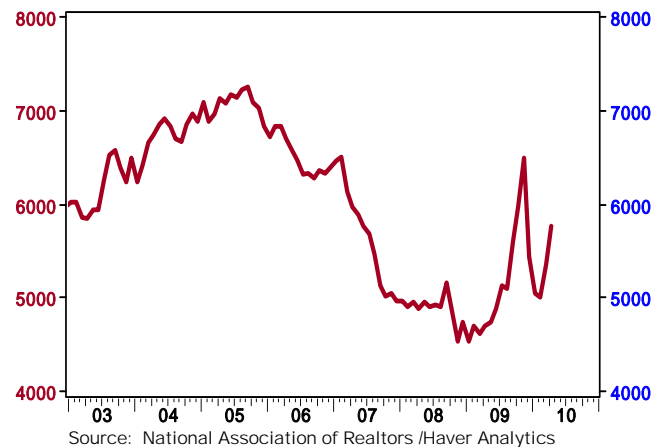
# APRIL EXISTING HOME SALES

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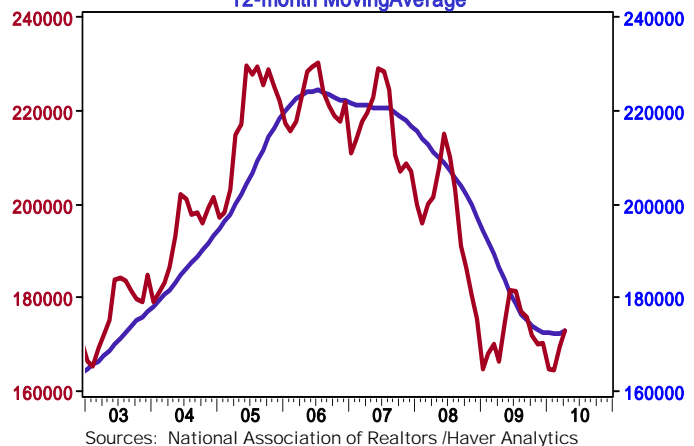
- Existing home sales rose 7.6% in April to an annual rate of 5.77 million, beating the consensus expected pace of 5.62 million. Existing home sales are up 22.8% versus a year ago.
- Sales were up in the Northeast, Midwest, and South, but down in the West. The rise in sales was due to a rise in both single-family home sales and condos/coops.
- The median price of an existing home increased to \$173,100 in April (not seasonally adjusted), and is up 4.0% versus a year ago. Last April, prices were down 17.3% from the prior year.
- The months' supply of existing homes (how long it would take to sell the entire inventory at the current sales rate) rose to 8.4 from 8.1 in March. The increase in the months' supply was due to a large rise in inventories for both single family homes and condos/co-ops, which offset the faster selling pace.

**Implications:** Existing home sales beat consensus expectations for the third month in a row in April, rising 7.6% to a level 22.8% higher than a year ago. Just like last autumn, much of the rise in April itself is due to the expiration of the homebuyer tax credit, which required homes to be under contract by the end of April and settled by the end June. As a result, we anticipate that existing home sales, which are counted at closing, will surge again over the next two months, before falling back temporarily later this summer. After that lull, sales should rise again as the underlying economy continues to gain strength. While some analysts may be concerned about the rise in inventories in April, the increase was similar to seasonal April gains in the previous few years, not a sign of massive "shadow inventories" suddenly swamping the market. In other recent news, it was reported last week that new claims for unemployment insurance increased 25,000 to 471,000. Meanwhile, continuing claims for regular state benefits fell 40,000 to 4.63 million. Also reported last week, the Philadelphia Fed Index, a measure of manufacturing in that region, increased to +21.4 in May from +20.2 in April. To put this in perspective, the index is higher than it was during most of the late 1990s economic boom.

NAR Total Existing Home Sales, United States  
SAAR, Thous



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



Existing Home Sales <i>Seasonally Adjusted Unless Noted, Levels in Thous.</i>	Apr-10		Mar-10	Feb-10	3-month	6-month	Yr to Yr % Change
	% Ch.	level					
<b>Existing Home Sales</b>	7.6%	5770	5360	5010	5380	5520	22.8
<b>Northeast</b>	21.1%	1090	900	840	943	953	41.6
<b>Midwest</b>	9.9%	1330	1210	1110	1217	1238	29.1
<b>South</b>	8.6%	2140	1970	1840	1983	2037	23.0
<b>West</b>	-6.2%	1210	1290	1220	1240	1295	5.2
<b>Median Sales Price (\$, NSA)</b>	2.1%	173100	169600	164600	169100	168783	4.0

Source: National Association of Realtors