

U.S. Housing Flash

Existing Home Sales Emerge Slightly Weaker in March

- Existing home sales fell to 4.92M in March as the share of distressed sales dropped
- The supply of existing homes rose to 4.7 months but remains far lower than last year
- Median sales price rose at its quickest pace in a decade to 12.9% YoY in March

Existing home sales declined 0.6% in March as supply continues to restrain sales throughout the U.S. Down to 4.92M in March from February's 4.95M, the decline points toward difficulty in matching continually low supply with ever increasing demand. The latest figure also rounds out a relatively flat first quarter. Throughout the nation, the situation differs among regions. The Northeast, where the housing market has yet to stage a strong recovery, did not see a shift in existing homes sold in March but remains positive on a YoY growth basis. The Midwest was the only region in March that experienced a rise in existing home sales, up 1.75% to recoup some of the sales lost in the lull in February. The West and South were the two surprises, both strong housing markets especially as of late, but both saw monthly declines of close to 1.5% as supply slowed and sales slipped. The market therefore continues to favor sellers as prices rise, bringing some out of the underwater situation they sunk into once the market collapsed during the worst of the recession. With that in mind, the median sales price of all existing homes rose 6.4% to \$184,300 in March and single family homes popped up to \$185,100. This represents the largest monthly rise in existing home prices in the last decade and a promising feature as we move into 2Q13. Looking forward, the growth in prices should continue to bring more homes into the market and the coming seasonal shift into spring should entice more sales as weather improves and homeowners feel more confident about their ability to sell.

Graph 1
Existing Home Sales
YoY % Change



Source: National Association of Realtors & BBVA Research

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