



# Economics Group

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## Existing Home Sales Rebound in September

**Beating expectations and reflecting improvement in all four regions of the country, existing home sales increased 3.2 percent in September. Inventory on the market remains low, thereby constraining sales.**

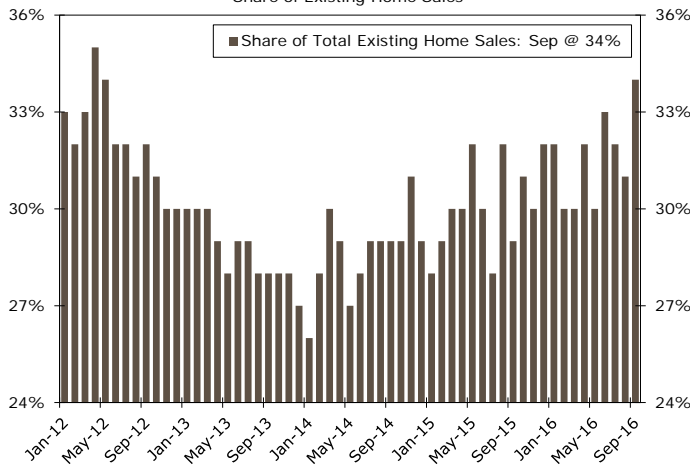
### First-Time Homebuyer Strength

- Rebounding from a 1.5 percent decline in August, existing home sales rose to the second highest annualized sales pace this year at 5.47-million units. September's gain was driven by first-time homebuyers reaching a 34 percent share of total sales—a high not seen since July 2012.
- Resales increased in all four regions, led by a 6.9 percent gain in the Northeast and a 4.8 percent rise in the West.

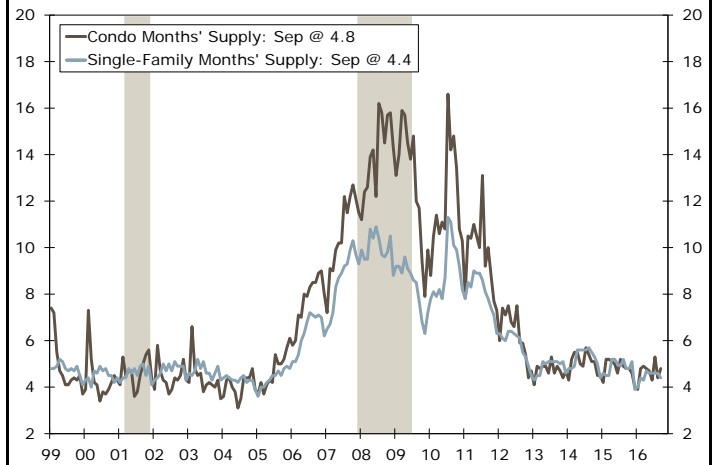
### Inventory Remains Tight

- Inventory on the market rose 1.5 percent to 2.04-million units, but a 4.5-month sales pace continues to reflect an extremely tight market. As such, home price appreciation remains solid, with prices up 5.6 percent over the past year.
- Healthy buyer traffic, solid job growth, home price appreciation and low interest rates continue to point to steady home sales improvement in the coming year.

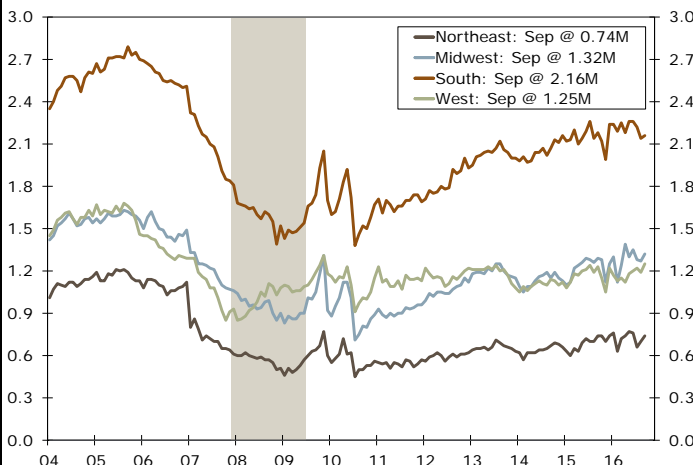
**First-Time Home Buyers**  
Share of Existing Home Sales



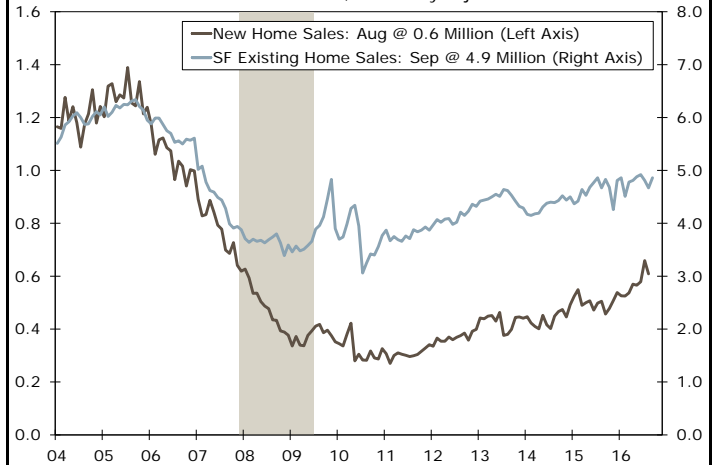
**Existing Home Supply**  
In Months, Seasonally Adjusted



**Existing Home Sales By Region**  
Seasonally Adjusted Annual Rate, In Millions



**Existing & New Single-Family Home Sales**  
Both Series In Millions of Units, Seasonally Adjusted Annual Rate



Source: National Association of Realtors and Wells Fargo Securities

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