



Economics Group

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Low Inventories Hold Back Existing Sales in April

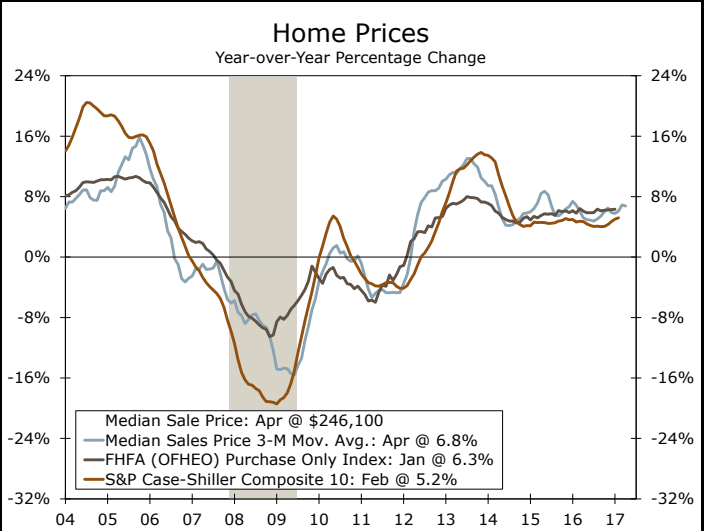
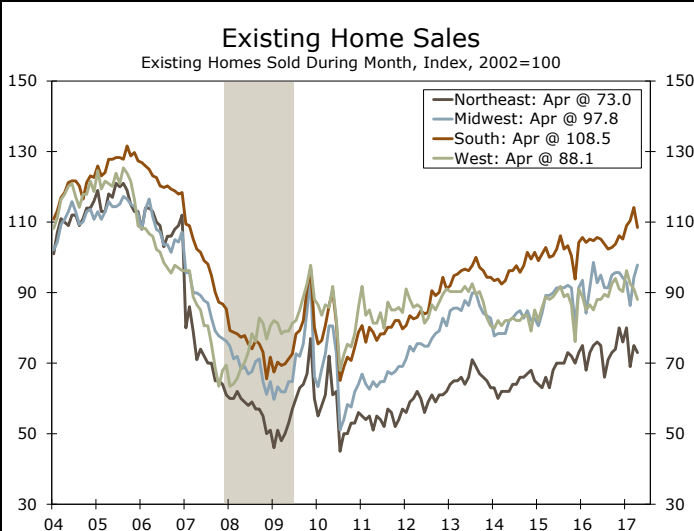
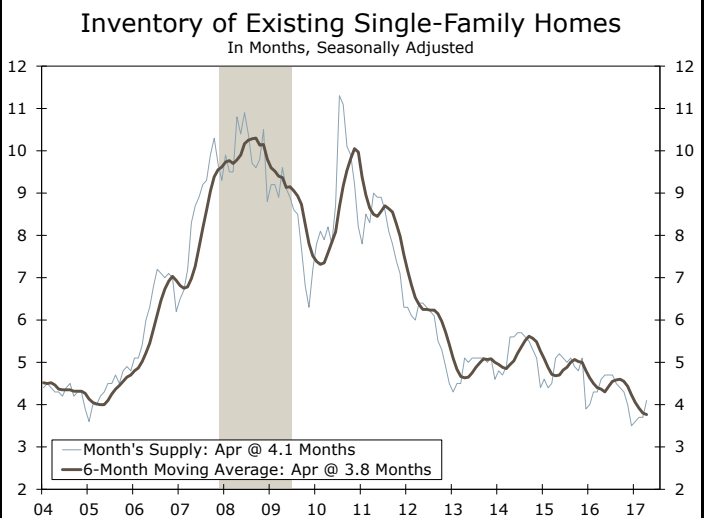
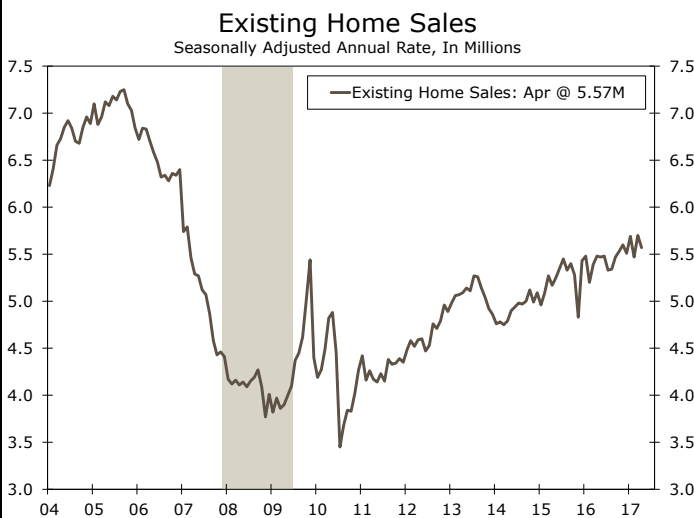
Existing home sales fell 2.3 percent in April, following a 4.2 percent rise in March. Sales through the first four months of 2017 are running 4.1 percent ahead of last year but are being held back by a lack of homes for sale.

Existing Home Sales Dip Slightly in April

- Much like earlier reported new home sales, the slight drop in existing home sales reported for April does little to dispel the notion that the housing market is building strong momentum.
- While overall sales fell 2.3 percent in April, the decline followed a solid 4.2 percent rise in March. Sales are up on a year-to-year basis for every month this year. The earlier than usual start to spring home buying left fewer homes for April buyers.

Low Inventories Are Restraining Sales

- The number of homes listed for sale rose 7.2 percent in April but remains 9.0 percent below its year-ago level. This marks the 23rd consecutive month inventories were down year to year.
- Homes are selling quickly. The average home was on the market for a record low 29 days, which is down from 39 days last year. Tight inventories are keeping pressure on prices. The median price of an existing home has risen 6.1 percent over the past year.



Source: National Association of Realtors, FHFA, S&P and Wells Fargo Securities

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