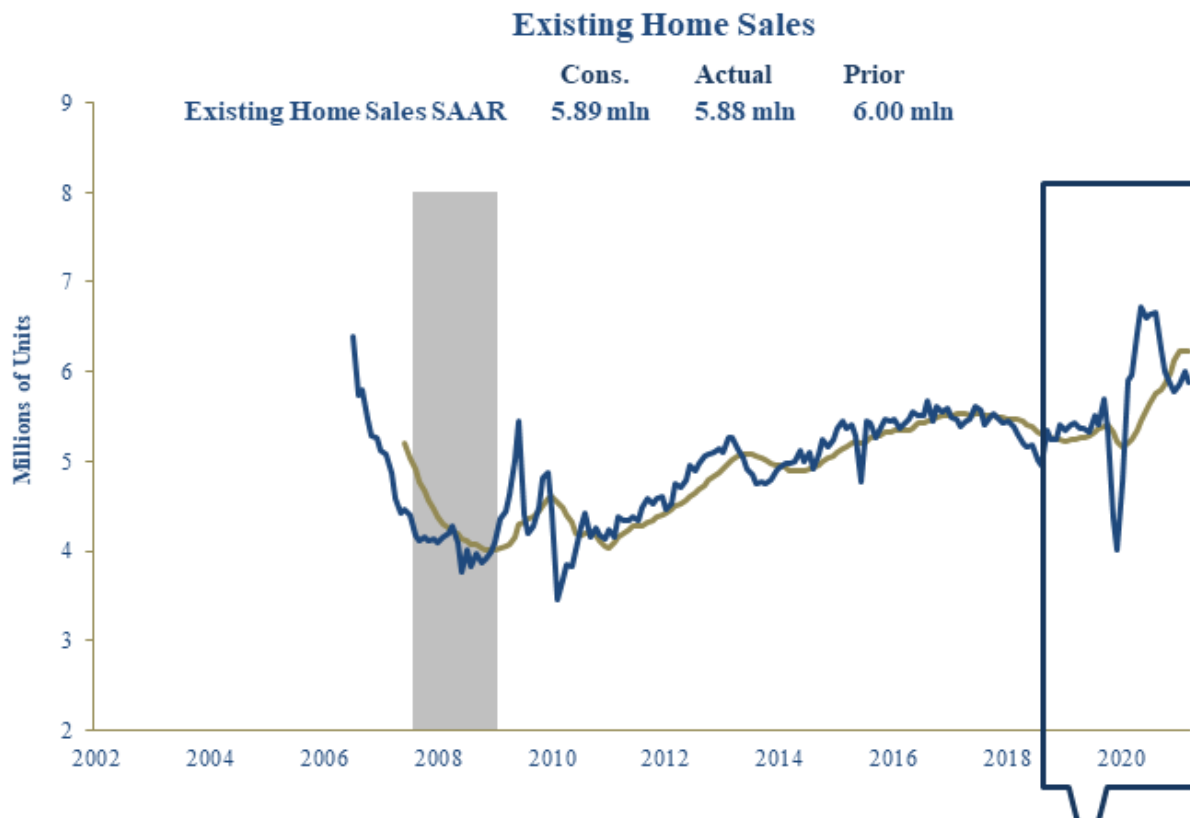
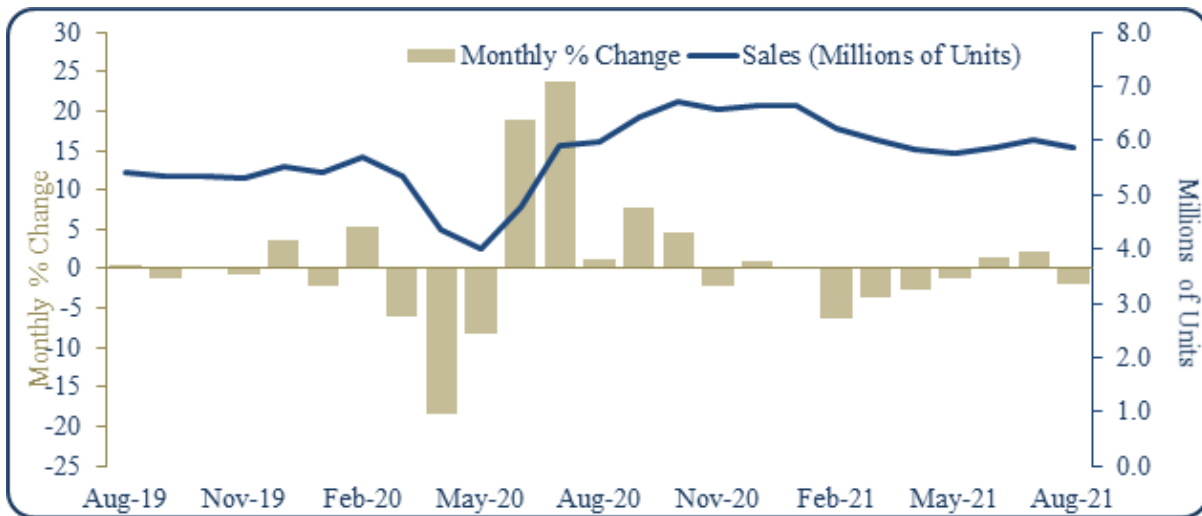


22.Sep.2021

### Existing Home Sales: Gains Plateauing

**Bottom Line:** Sales fell in August, as expected, with the robust trend showing continued signs of plateauing. Sales in 2020 averaged 6.65 million units but have slowed to 5.9 million annualized units over the six months ended in August. Tight supply conditions and steadily higher prices were the themes in the 2nd half of 2020 and the 1st half of 2021, but those trends have been easing slightly. While inventories were lower again in August, the trend over the last three- and six months is marginally higher. The median sales price at nearly \$357k is still sharply above year-ago levels but is a touch lower over the last three months. Overall, the housing market remains tight, but the pace of activity has decelerated, suggesting the housing tailwind for GDP growth will be notably lower in the 2nd Half of 2021. Moreover, the tight supply conditions in the existing home market appear to be easing just slightly.





**Existing Home Sales** FELL by 2.0% in August to 5.88 million, compared with market expectations for a decline to 5.89 million. The prior month was revised up from 5.99 to 6.00 million. Home re-sales are now 1.5% BELOW their year-ago level.

**The Inventory of Homes Available for Sale** FELL by 1.5% to 1,290k and are now 13.4% BELOW their year-ago level. Because inventories declined while sales declined, **the Months Supply** ROSE to 2.6 months from 2.6 months. This is BELOW the 6-month level that is considered 'normal'.

**Home Prices** ROSE compared to their year-ago levels. Average home prices are 9.8% ABOVE their year-ago levels while median home prices are 14.9% ABOVE their year-ago levels.

***Total Existing Home Sales***

### Existing Home Months' Supply



### Median Existing Home Price



	Monthly				Average for						
	Aug-21	Jul-21	Jun-21	May-21	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
<b>Existing Home Sales (millions)</b>	5.88	6.00	5.87	5.78	5.92	5.90	6.23	6.65	5.51	5.65	5.29
<i>prior report</i>		5.99	5.87	5.78							
(percent change)	-2.0	2.2	1.6	-1.2							
(year-on-year percent change)	-1.5	1.7	23.1	44.1				20.7	10.0		
<b>Inventory (thousands)</b>	1,290	1,310	1,230	1,210	1,277	1,207	1,210	1,060	1,390	1,418	1,672
(percent change)	-1.5	6.5	1.7	5.2							
(year-on-year percent change)	-13.4	-12.7	-20.1	-21.9				-23.7	-9.2		
<b>Months' Supply</b>	2.63	2.62	2.5	2.5	2.6	2.5	2.3	1.9	3.0	3.1	3.9
<b>Average Sales Price (\$000)</b>	376.0	378.4	381.2	371.7	378.5	370.8	356.4	342.0	311.0	302.0	271.8
(year-on-year percent change)	9.8	12.0	15.9	16.9				10.0	5.9		
<b>Median Sales Price (\$000)</b>	356.7	359.5	362.8	350.4	359.7	349.4	329.6	309.2	274.5	263.6	229.0
(year-on-year percent change)	14.9	17.6	23.2	23.6				12.6	7.8		

Source: National Association of Realtors via Bloomberg. Our calculations.

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T.J. Connelly, Head of Research

September 22, 2021

Steven A. Wood, Senior Economic Adviser

### Single-Family Existing Home Sales:

SINGLE-FAMILY EXISTING	Monthly				Average for						
	Aug-21	Jul-21	Jun-21	May-21	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
<b>Single Family Home Sales (Mil)</b>	5.19	5.29	5.14	5.07	5.21	5.19	5.51	4.75	4.74	4.79	4.53
(percent change)	-1.9	2.9	1.4	-1.2							
(year-on-year percent change)	-2.8	-0.6	19.3	38.9				0.3	0.0		
<b>Inventory (thousands)</b>	1,120	1,130	1,060	1,040	1,103	1,037	1,029	880	1,210	1,234	1,464
(percent change)	-0.9	6.6	1.9	6.1							
(year-on-year percent change)	-11.8	-13.1	-20.9	-23.5				-27.3	-9.7		
<b>Months' Supply</b>	2.6	2.6	2.5	2.5	2.5	2.4	2.2	2.2	3.1	3.1	4.0
<b>Average Sales Price (\$000)</b>	380.7	383.2	386.1	375.9	383.3	375.0	360.3	308.2	297.6	293.4	266.7
(year-on-year percent change)	10.2	12.4	16.5	17.5				3.6	0.0		
<b>Median Sales Price (\$000)</b>	363.8	366.6	370.1	356.8	366.8	355.8	335.1	272.3	259.5	254.5	223.8
(year-on-year percent change)	15.6	18.4	24.2	24.5				5.0	0.0		

Source: National Association of Realtors via Bloomberg. Our calculations.

### Existing Single Family Home Sales



### Existing Single Family Home Months' Supply



### Median Existing Single Family Home Price

