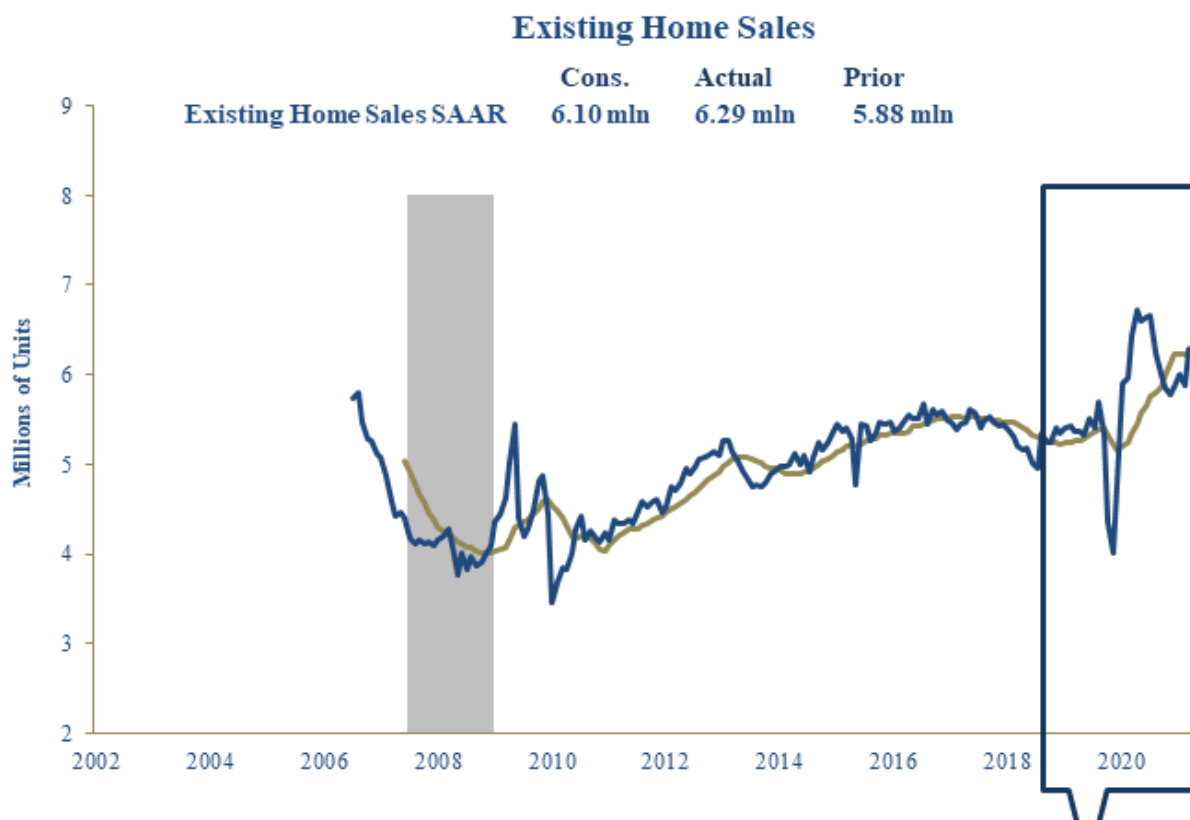
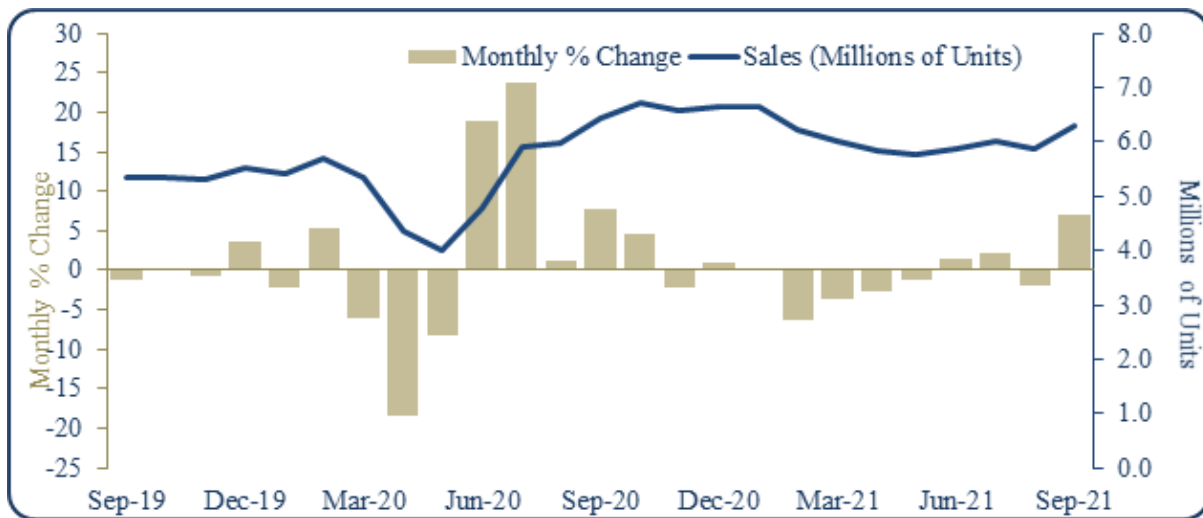


21.Oct.2021

Existing Home Sales: Surprising Rebound

Bottom Line: Sales rose more than expected in September, rebounding to the fastest pace since January on a seasonally adjusted basis. The trend remains towards deceleration after extremely robust sales in the 2nd half of last year. While these data are encouraging that the slowdown won't prove overly abrupt, September's rebound could be a case of potential buyers closing deals as mortgage rates started to edge higher. Tight supply conditions remained a major issue as inventories fell in September, but average home prices fell for the third straight month. While this is mostly a result of the composition of sales shifting towards lower-cost homes, it hints at some easing of tightness. Overall, the housing tailwind for GDP growth will be notably lower in the 2nd Half of 2021.



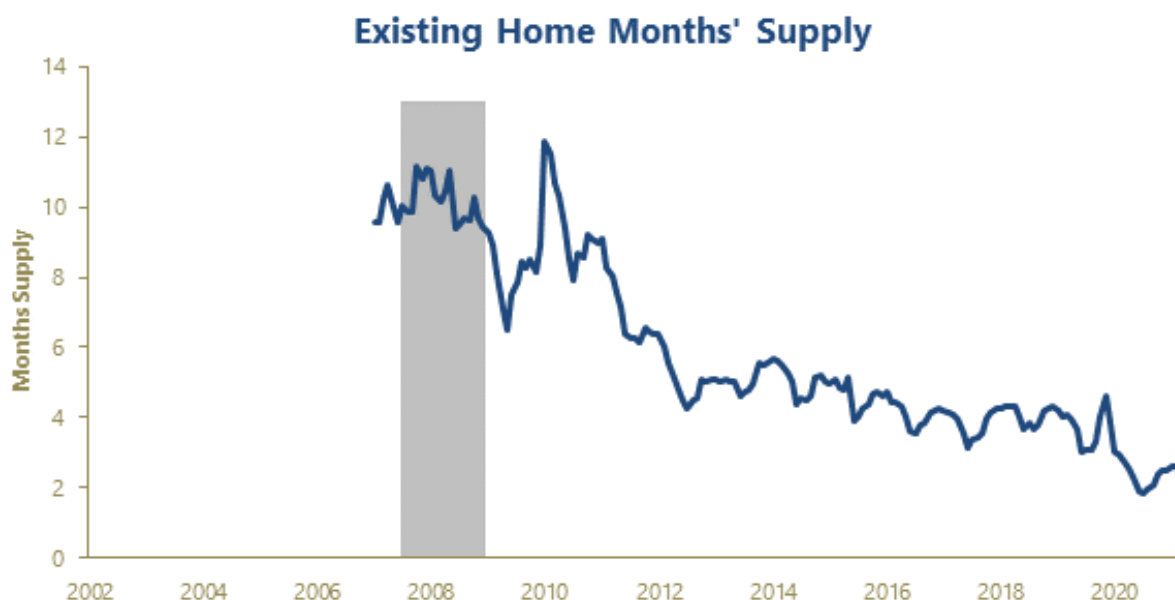


Existing Home Sales ROSE by 7.0% in September to 6.29 million, compared with market expectations for an increase to 6.10 million. There were no revisions to prior data. Home re-sales are now 2.3% BELOW their year-ago level.

The Inventory of Homes Available for Sale FELL by 0.8% to 1,270k and are now 13.0% BELOW their year-ago level. Because inventories declined while sales increased, the **Months Supply** FELL to 2.4 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 8.6% ABOVE their year-ago levels while median home prices are 13.3% ABOVE their year-ago levels.

Total Existing Home Sales



Median Existing Home Price



	Monthly				Average for						
	Sep-21	Aug-21	Jul-21	Jun-21	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
Existing Home Sales (millions)	6.29	5.88	6.00	5.87	6.06	5.95	6.21	6.65	5.51	5.65	5.29
<i>prior report</i>		5.88	6.00	5.78							
(percent change)	7.0	-2.0	2.2	1.6							
(year-on-year percent change)	-2.3	-1.5	1.7	23.1				20.7	10.0		
Inventory (thousands)	1,270	1,280	1,310	1,230	1,287	1,242	1,193	1,060	1,390	1,418	1,672
(percent change)	-0.8	-2.3	6.5	1.7							
(year-on-year percent change)	-13.0	-14.1	-12.7	-20.1				-23.7	-9.2		
Months' Supply	2.42	2.61	2.6	2.5	2.6	2.5	2.3	1.9	3.0	3.1	3.9
Average Sales Price (\$000)	372.6	376.8	378.4	381.2	375.9	374.1	358.9	342.0	311.0	302.0	271.8
(year-on-year percent change)	8.6	10.1	12.0	15.9				10.0	5.9		
Median Sales Price (\$000)	352.8	357.7	359.5	362.8	356.7	354.0	333.1	309.2	274.5	263.6	229.0
(year-on-year percent change)	13.3	15.2	17.6	23.2				12.6	7.8		

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

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T.J. Connelly, Head of Research

October 21, 2021

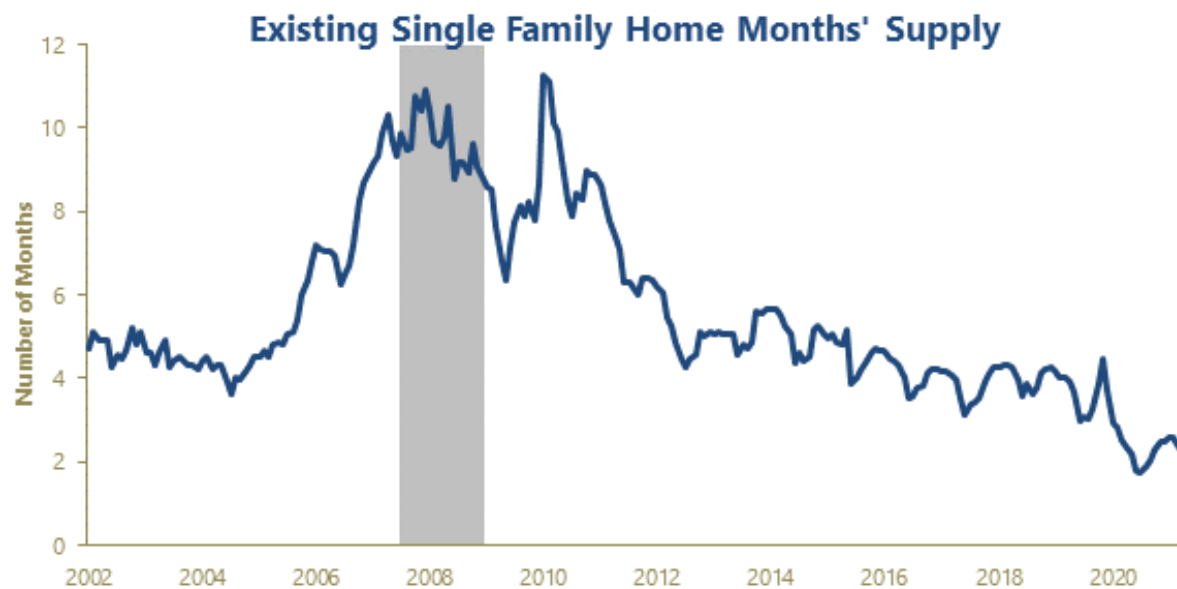
Steven A. Wood, Senior Economic Adviser

Single-Family Existing Home Sales:

SINGLE-FAMILY EXISTING

	Monthly				Average for						
	Sep-21	Aug-21	Jul-21	Jun-21	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
Single Family Home Sales (Mil)	5.59	5.19	5.29	5.14	5.36	5.24	5.50	4.75	4.74	4.79	4.53
(percent change)	7.7	-1.9	2.9	1.4							
(year-on-year percent change)	-3.1	-2.8	-0.6	19.3				0.3	0.0		
Inventory (thousands)	1,100	1,110	1,130	1,060	1,113	1,070	1,018	880	1,210	1,234	1,464
(percent change)	-0.9	-1.8	6.6	1.9							
(year-on-year percent change)	-10.6	-12.6	-13.1	-20.9				-27.3	-9.7		
Months' Supply	2.4	2.6	2.6	2.5	2.5	2.5	2.2	2.2	3.1	3.1	4.0
Average Sales Price (\$000)	377.1	381.4	383.2	386.1	380.6	378.5	362.9	308.2	297.6	293.4	266.7
(year-on-year percent change)	8.8	10.4	12.4	16.5				3.6	0.0		
Median Sales Price (\$000)	359.7	364.7	366.6	370.1	363.7	360.7	338.8	272.3	259.5	254.5	223.8
(year-on-year percent change)	13.8	15.9	18.4	24.2				5.0	0.0		

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



Existing Single Family Home Sales



Median Existing Single Family Home Price

