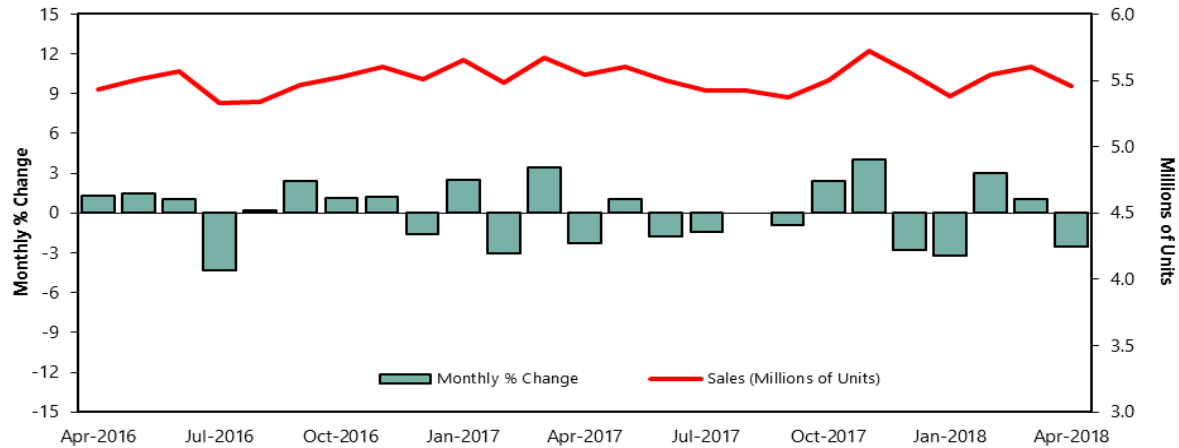


### MODEST DECLINE; MAINTAINING SOLID PACE

Existing Home Sales, Thursday, May 24, 2018



Record High: 7.25 M (09/05)

Percent Change from Record High -24.7%

Existing home sales fell 2.5% in April to an annual pace of 5.46 million following an increase of 1.1% in February and an annual rate of 5.60 million. Existing home sales are trending a bit lower, down 1.4% from their April 2017 rate. Regionally, sales dropped moderately in all regions of the country except for the Midwest where they remained unchanged. The inventory of homes available for sale jumped 9.8% on the month to 1.800 million which represents just a 4.0-month supply at the current sales pace. However, inventories remained down a sharp 6.3% on the year. Clearly, such low supply on the market is constraining sales and lifting prices. House prices continued to move higher over the past year as the median price for an existing home gained 5.3% in April to \$257,900 from April 2017. NAR chief economist, Lawrence Yun said that this spring's staggeringly low inventory levels caused existing sales to slump in April. "Realtors® say the healthy economy and job market are keeping buyers in the market for now even as they face rising mortgage rates." Yun went on to say, "The current pace of price appreciation far above incomes is not sustainable in the long run."

#### MILLIONS OF UNITS

Forecast:	5.64 M
Consensus*:	5.60 M
<b>Actual:</b>	<b>5.46 M</b>

	Monthly Changes				Average Changes for						
	Apr-18	Mar-18	Feb-18	Jan-18	Three Month	Six Month	Twelve Month	2017	2016	Five Year	Ten Year
<b>Existing Home Sales</b>	<b>5.46</b>	<b>5.60</b>	<b>5.54</b>	<b>5.38</b>	<b>5.53</b>	<b>5.54</b>	<b>5.51</b>	<b>5.51</b>	<b>5.45</b>	<b>5.25</b>	<b>4.78</b>
(percent change)	-2.5	1.1	3.0	-3.2				1.1	3.8		
(year-on-year percent change)	-1.4	-1.2	1.1	-4.8							
<b>Northeast (thousands)</b>	<b>650</b>	<b>680</b>	<b>640</b>	<b>730</b>	<b>657</b>	<b>700</b>	<b>715</b>	<b>740</b>	<b>740</b>	<b>696</b>	<b>634</b>
(percent change)	-4.4	6.3	-12.3	-1.4				0.0	5.7		
<b>Midwest (thousands)</b>	<b>1,290</b>	<b>1,290</b>	<b>1,220</b>	<b>1,250</b>	<b>1,267</b>	<b>1,297</b>	<b>1,295</b>	<b>1,300</b>	<b>1,300</b>	<b>1,236</b>	<b>1,100</b>
(percent change)	0.0	5.7	-2.4	-6.0				0.0	4.8		
<b>South (thousands)</b>	<b>2,330</b>	<b>2,400</b>	<b>2,410</b>	<b>2,260</b>	<b>2,380</b>	<b>2,337</b>	<b>2,278</b>	<b>2,260</b>	<b>2,220</b>	<b>2,148</b>	<b>1,913</b>
(percent change)	-2.9	-0.4	6.6	-1.3				1.8	2.8		
<b>West (thousands)</b>	<b>1,190</b>	<b>1,230</b>	<b>1,270</b>	<b>1,140</b>	<b>1,230</b>	<b>1,210</b>	<b>1,218</b>	<b>1,220</b>	<b>1,190</b>	<b>1,174</b>	<b>1,136</b>
(percent change)	-3.3	-3.1	11.4	-5.0				2.5	1.7		
<b>Inventory (thousands)</b>	<b>1,800</b>	<b>1,640</b>	<b>1,590</b>	<b>1,520</b>	<b>1,677</b>	<b>1,613</b>	<b>1,753</b>	<b>1,460</b>	<b>1,650</b>	<b>1,718</b>	<b>2,163</b>
(percent change)	9.8	3.1	4.6	4.1							
(year-on-year percent change)	-6.3	-8.9	-8.1	-9.5							
<b>Months' Supply</b>	<b>4.0</b>	<b>3.5</b>	<b>3.4</b>	<b>3.4</b>	<b>3.6</b>	<b>3.5</b>	<b>3.8</b>	<b>3.9</b>	<b>4.4</b>	<b>4.6</b>	<b>6.6</b>
<b>Median Sales Price (\$000)</b>	<b>257.9</b>	<b>249.8</b>	<b>240.9</b>	<b>240.8</b>	<b>249.5</b>	<b>247.2</b>	<b>250.3</b>	<b>247.2</b>	<b>233.8</b>	<b>221.8</b>	<b>199.5</b>
(year-on-year percent change)	5.3	5.6	5.6	5.9				5.7	5.1		