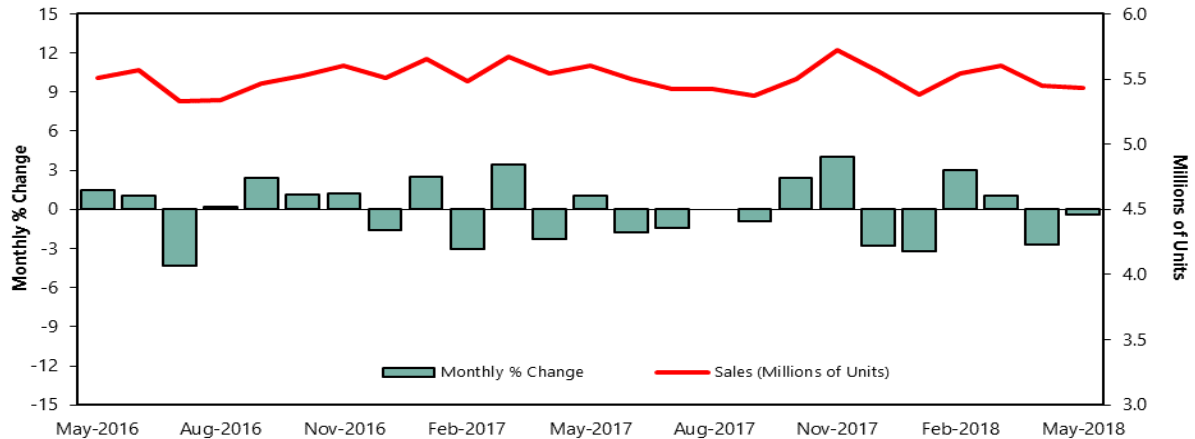


### FLAT AT BEST

Existing Home Sales, Wednesday June 20, 2018



Record High: 7.25 M (09/05)

Percent Change from Record High -25.1%

Existing home sales fell 0.4% in May to an annual pace of 5.43 million following a decline of 2.7% in April to an annual rate of 5.45 million. Existing home sales are trending lower, down 3.0% from their May 2017 rate. Regionally, sales dropped moderately in all regions of the country except for the Northeast where they gained 4.6%. The inventory of homes available for sale rose 2.8% on the month to 1.850 million which represents just a 4.1-month supply at the current sales pace. However, inventories remained down a sharp 6.1% 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 4.9% in May to \$264,800. NAR chief economist, Lawrence Yun said that a solid economy and job market should be generating a much stronger sales pace than what has been seen so far this year. "Incredibly low supply continues to be the primary impediment to more sales, but there's no question the combination of higher prices and mortgage rates are pinching the budgets of prospective buyers, and ultimately keeping some from reaching the market."

#### MILLIONS OF UNITS

Forecast:	5.65 M
Consensus*:	5.50 M
<b>Actual:</b>	<b>5.43 M</b>

	Monthly Changes				Average Changes for						
	May-18	Apr-18	Mar-18	Feb-18	Three Month	Six Month	Twelve Month	2017	2016	Five Year	Ten Year

<b>Existing Home Sales</b>	<b>5.43</b>	<b>5.45</b>	<b>5.60</b>	<b>5.54</b>	<b>5.49</b>	<b>5.49</b>	<b>5.49</b>	<b>5.51</b>	<b>5.45</b>	<b>5.25</b>	<b>4.78</b>
(percent change)	<b>-0.4</b>	-2.7	1.1	3.0				1.1	3.8		
(year-on-year percent change)	<b>-3.0</b>	-1.6	-1.2	1.1							

<b>Northeast (thousands)</b>	<b>680</b>	650	680	640	670	687	708	740	740	696	634
(percent change)	<b>4.6</b>	-4.4	6.3	-12.3				0.0	5.7		
<b>Midwest (thousands)</b>	<b>1,260</b>	1,290	1,290	1,220	1,280	1,273	1,293	1,300	1,300	1,236	1,100
(percent change)	<b>-2.3</b>	0.0	5.7	-2.4				0.0	4.8		
<b>South (thousands)</b>	<b>2,320</b>	2,330	2,400	2,410	2,350	2,335	2,278	2,260	2,220	2,148	1,913
(percent change)	<b>-0.4</b>	-2.9	-0.4	6.6				1.8	2.8		
<b>West (thousands)</b>	<b>1,170</b>	1,180	1,230	1,270	1,193	1,198	1,213	1,220	1,190	1,174	1,136
(percent change)	<b>-0.8</b>	-4.1	-3.1	11.4				2.5	1.7		

<b>Inventory (thousands)</b>	<b>1,850</b>	1,800	1,640	1,590	1,763	1,643	1,743	1,460	1,650	1,718	2,163
(percent change)	<b>2.8</b>	9.8	3.1	4.6							
(year-on-year percent change)	<b>-6.1</b>	-6.3	-8.9	-8.1							
<b>Months' Supply</b>	<b>4.1</b>	4.0	3.5	3.4	3.9	3.6	3.8	3.9	4.4	4.6	6.6

<b>Median Sales Price (\$000)</b>	<b>264.8</b>	257.9	249.8	240.9	257.5	250.1	251.3	247.2	233.8	221.8	199.5
(year-on-year percent change)	<b>4.9</b>	5.3	5.6	5.6				5.7	5.1		