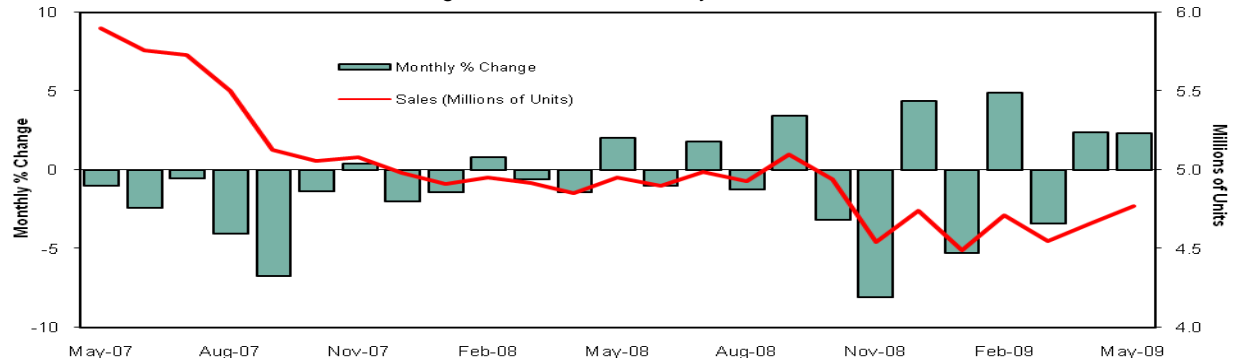


INVENTORIES EASE AS PRICE DECLINES SLOW

Existing Home Sales – Tuesday June 23, 2009



Record High: 7.25 mln (09/05)

Percent Change from Record High: -34.2%

Existing home sales rose 2.4% in May to an annualized pace of 4.77 million units. Home re-sales have declined 3.6% over the past year and are now 34.2% below their September 2005 peak. The pace of decline is slowing hence a bottom may be near. Regionally, sales gained 3.9% in the Northeast and 9.0% in the Midwest but fell 0.9% in the West with little change in the South. The inventory of homes available for sale fell 3.5% to 3.798 million which represents a 9.6 month-supply at the current sales pace. Home prices continued to plunge compared to their year ago level with median prices down 16.8% to \$173,000 as average prices dropped 14.7% to \$215,600. Existing home sales remain range-bound, averaging an annual pace of 4.7 million units since last October. Inventories remain elevated but down somewhat from the previous month amid steep price declines that have also eased slightly. Sales though weak are fairly steady and are expected to pick-up in the second half of this year but gains will likely remain subdued until prices bottom and excess inventories are cleared.

MILLIONS OF UNITS

Forecast:	4.75 min
Consensus*:	4.82 min
Actual:	4.77 min

	Monthly Changes				Average Changes for						
	May-09	Apr-09	Mar-09	Feb-09	Three Month	Six Month	Twelve Month	2008	2007	Five Year	Ten Year

Existing Home Sales (millions)	4.77	4.66	4.55	4.71	4.66	4.65	4.78	4.89	5.67	6.18	5.84
(percent change)	2.4	2.4	-3.4	4.9							
(year-on-year percent change)	-3.6	-3.9	-7.5	-4.8				-13.8	-12.9		

Northeast	800	770	690	750	753	733	787	1,010	1,093	1,079	#N/A
(percent change)	3.9	11.6	-8.0	17.2				-7.6	-6.4		
Midwest	1,090	1,000	1,020	1,040	1,037	1,040	1,076	1,331	1,494	1,484	#N/A
(percent change)	9.0	-2.0	-1.9	1.0				-10.9	-6.0		
South	1,740	1,740	1,710	1,740	1,730	1,718	1,770	2,243	2,577	2,466	#N/A
(percent change)	0.0	1.8	-1.7	6.1				-13.0	-4.7		
West	1,140	1,150	1,130	1,180	1,140	1,162	1,145	1,095	1,357	1,408	#N/A
(percent change)	-0.9	1.8	-4.2	0.9				-19.3	-16.1		

Inventory (thousands)	3,798	3,937	3,648	3,798	3,794	3,749	4,044	3,974	3,450	2,957	#N/A
(percent change)	-3.5	7.9	-3.9	5.2							
(year-on-year percent change)	-15.3	-13.5	-11.4	-5.5				15.2	21.2		
Months' Supply	9.6	10.1	9.6	9.7	9.8	9.7	10.2	9.7	7.3	6.0	#N/A

Median Sales Price (\$000)	173.0	166.6	169.9	168.2	169.8	169.7	183.7	197.3	216.6	209.5	#N/A
(year-on-year percent change)	-16.8	-17.2	-15.1	-14.1				-8.9	-2.4		

Average Sales Price (\$000)	215.6	208.8	211.3	210.3	211.9	211.7	226.2	263.7	268.3	251.8	#N/A
(year-on-year percent change)	-14.7	-15.6	-14.5	-13.2				-1.7	1.2		

Source: Bureau of the Census, Department of Commerce Via Haver Analytics. Data, graph & table courtesy of Insight Economics *Bloomberg
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