

New Home Sales Fall Below 600K

By: Jann Swanson | Tue, Jul 26 2022, 11:33 AM

New home sales fell again in June, more than wiping out the increase posted for May. The U.S. Census Bureau and the Department of Housing and Urban Development said sales during the month were at a seasonally adjusted annual rate of 590,000 units. This was an 8.1 percent retreat from the estimated 642,000 rate in May, a revision from the 696,000-unit rate originally reported. June sales were **down 17.4 percent from those a year earlier**.

The consensus estimates from analysts were considerably higher than reality. Those polled by *Trading Economics* has expected a rate of 660,000 while the *Econoday* expectations were slightly lower at 664,000.

On a non-adjusted basis there were **49,000 newly constructed homes sold during the month, 10,000 fewer than in May**. For the year-to-date, sales are down 13.4 percent from the same period in 2021 at 372,000 units.

At the end of June there were an estimated 463,000 new homes for sale, a 9.4-month supply at the current sales pace. A year earlier the 350,000-home inventory was estimated at a 5.8-month supply.

The median sales price in June was \$402,400 and the average was \$456,800. In June 2021, the relative sales prices were \$374,700 and \$431,900.

Sales were **down in three regions but rose significantly in the Midwest**, an increase of 42.3 percent. They were down 5.3 percent in the Northeast, 2.0 percent in the South, and 36.7 percent in the West. All four regions are lagging on a year-to-date basis, ranging from -9.6 percent in the West to 24.8 percent in the Midwest.

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