



Economics Group

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Existing Home Sales Rose in March

Sales of existing homes rose 3.7 percent in March to a 5.10 million-unit rate from an upwardly revised 4.92 million-unit pace in February. Distressed sales, however, accounted for 40 percent of all transactions.

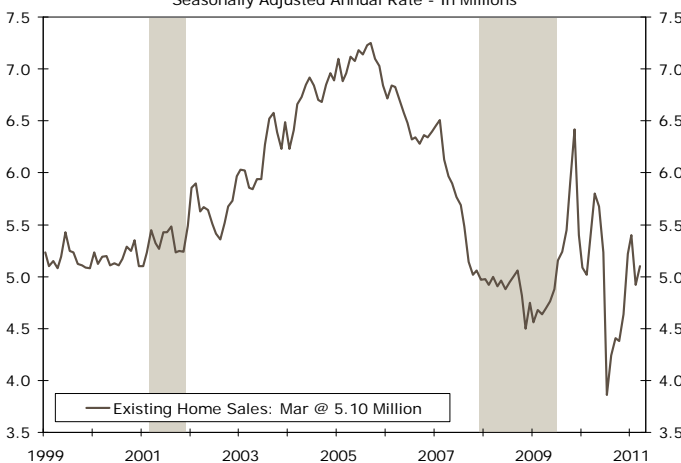
Existing Sales Rose, but Housing Is Still Correcting

- Sales of existing homes rose 3.7 percent in March with increases in nearly every region - sales in the West fell 0.8 percent. While the increase is encouraging, we still do not see the gain as the start of a genuine recovery. Distressed transactions still account for a significant portion of total sales at 40 percent. All-cash transactions increased to a new record of 35 percent and investors accounted for 22 percent of sales.

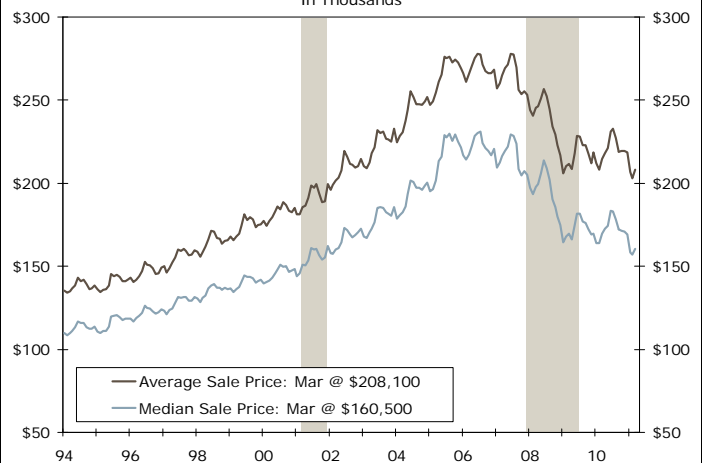
Home Prices Still Under Pressure

- With foreclosures and short sales accounting for a larger share of transactions, median and average sale prices still remain below year ago levels. The median price of an existing single-family home is down 5.3 percent over the past year to \$160,500, while the average price has declined 3.1 percent to \$208,100. At the current rate of sales, it would take 8.1 months to clear the supply of single-family homes.

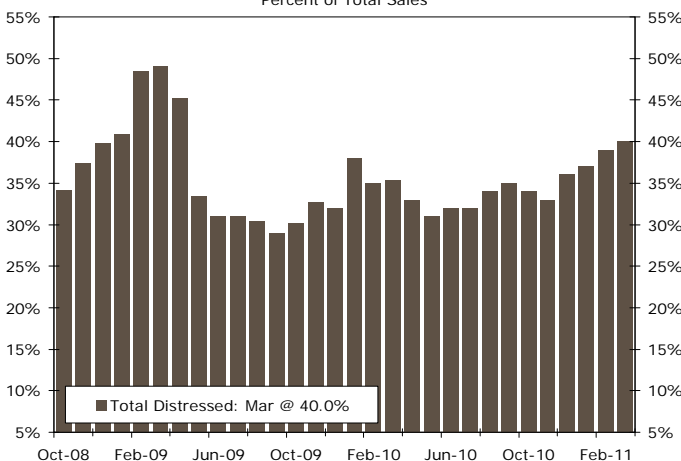
Existing Home Resales
 Seasonally Adjusted Annual Rate - In Millions



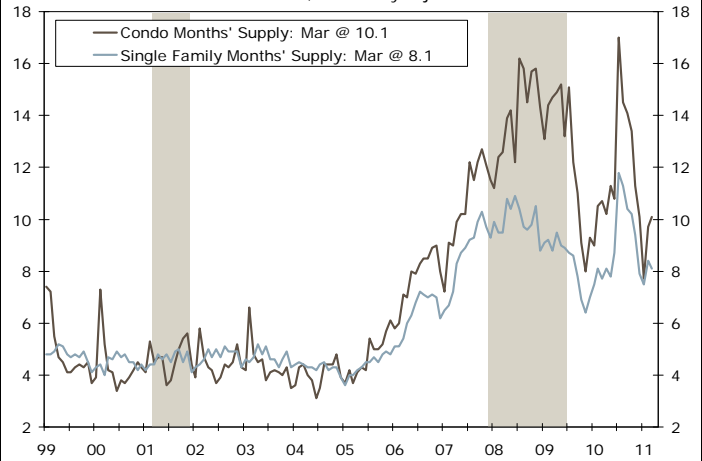
Existing Single-Family Home Prices
 In Thousands



U.S. Distressed Home Sales
 Percent of Total Sales



Existing Home Supply
 In Months, Seasonally Adjusted



Source: National Association of Realtors and Wells Fargo Securities, LLC

Wells Fargo Securities, LLC Economics Group

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