

New Home Sales (March)

- New home sales were much weaker than expected, falling 8.5% to 526,000 in March. In addition, February sales were downwardly revised to 575,000 from 590,000. March's level of new home sales is the lowest since October 1991.
- The supply of new homes fell 1.1% to 469,000 (the twelfth consecutive monthly decline in new home supply) to the lowest level since July 2005. However, the supply of homes in relation to sales jumped to 11.0 months in March (the highest since September 1981) from 10.2 months in February.
- New home sales fell in all regions—in the Northeast (-19.4%), the Midwest (-12.5%), the West (-12.9%), and the South (-4.6%).

	<u>Mar</u>	<u>Feb</u>	<u>Jan</u>	<u>3-Month</u> <u>Change</u>	<u>12-Month</u> <u>Change</u>
New home sales	526K	575K	607K	610K*	830K*
<i>Percent change</i>					
Total	-8.5%	-5.3%	-0.5%	-44.7%	-36.6%
Northeast	-19.4%	-34.5%	0.0%	-92.3%	-64.6%
Midwest	-12.5%	-10.0%	0.0%	-61.5%	-50.0%
South	-4.6%	0.9%	-4.4%	-28.3%	-25.9%
West	-12.9%	-5.4%	8.8%	-35.2%	-39.3%
Median sales price**	-13.3%	-2.6%	-8.5%	-6.9%*	10.0%*
Unsold homes	468K	473K	482K	494K*	548K*
Months supply	11.0	10.2	9.7	9.4*	8.3*

* 3 and 12-months ago

** year-over-year change

BOTTOM LINE: This report shows no signs of stabilization in the new home sales market as sales have fallen for five straight months and are dropping at a faster rate on a three-month annualized basis versus on a 12-month change basis. In addition, inventories of unsold homes in relation to sales are at levels not seen since the 1981-82 recession.

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