



New Home Sales Explode Back to Pre-Pandemic Levels

New Home sales have done it again, rising for the third straight month. The U.S. Census Bureau and Department of Housing and Urban Development estimate that newly constructed single-family homes were sold at a seasonally adjusted annual rate of 776,000 units. This is a 13.8 percent increase over the May rate, which was revised higher, from 676,000 units to 682,000. Sales are now greater than the same month in 2019 for the first time since the pandemic struck, up 6.9 percent compared to June of last year. **They also topped the 774,000 units reported in January 2020, said to be a 13-year high.**

Sales were higher than even the most optimistic projection by analysts polled by *Econoday*. Their forecasts ranged from a 648,000-unit annualized rate to 720,000. The consensus was 700,000.

On an unadjusted basis there were 74,000 new homes sold during the month. Sales in May were estimated at 64,000. For the year-to-date sales have totaled 372,000, up from 360,000 for the first half of 2019, a 3.2 percent gain.

The **median price of a home sold during the month was \$329,200 compared to \$311,800 in June 2019.** The average prices were \$384,700 and \$361,900, respectively.

Sales were up 89 percent from May in the **Northeast** and were 115.5 percent higher on an annual basis. In the **Midwest**, the gain was 10.5 percent for the month and 33.3 percent year-over-year. Sales in the **South** increased 7.2 percent from May but were down 1.8 percent from the June 2019 level. Sales in the **West** grew by 18.0 percent and 4.1 percent from the two earlier periods.

At the end of June there were an estimated 307,000 homes for sale nationwide, an estimated 4.7-month supply at the current rate of sales. The current inventory is 14.5 percent lower than in both May and in June 2019. Of the 307,000 homes for sale, only 64,000 are ready for occupancy.



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