

U.S. sales of existing homes edge up

Prices during November decrease for a record fourth consecutive month. New home sales rise and backlog of unsold units shrinks.

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WASHINGTON — Sales of existing homes managed to eke out a small increase in November, but the price of homes sold fell for a record fourth consecutive month, a real estate trade group reported Thursday.

The National Association of Realtors reported that sales of previously owned homes rose 0.6 percent in November to a seasonally adjusted annual rate of 6.28 million units. That followed a 0.5 percent sales increase in October and marked the first back-to-back sales gains since the spring of 2005.

The slight increases in sales were not enough to halt a slide in home prices. The median price for an existing home sold in November dropped to \$218,000, down 3.1 percent from the price a year earlier. It was the first time on record that sales prices compared with a year earlier have fallen for four straight months.

In other economic news, the Conference Board reported that consumer confidence posted a solid gain in December, rising to 109.0 compared with a November reading of 105.3.

A third report showed that the number of Americans filing new claims for unemployment benefits edged up to 317,000, an increase of 1,000 from the previous week, a smaller gain than economists had expected.

The report on existing home sales offered further hope that the national slump in housing this year might be bottoming out.

It followed a report Wednesday that showed that new home sales rose 3.4 percent in November, the third gain in the past four months.

David Lereah, chief economist for the National Association of Realtors, said September's sales activity might represent the low point for sales this cycle, but he cautioned that home prices would probably continue declining for a few more months.

Sales were down 1.6 percent in the South, and they were unchanged in the Midwest. However, the Northeast posted a strong 6 percent sales gain, and the West saw sales rise by 0.8 percent.