

BUSINESS DIGEST

# September new home sales have surprise rise; Wal-Mart scaling back; tentative Boeing labor deal

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HOUSING

## September gain in new home sales attributed to incentives

**WASHINGTON — Sales of new homes unexpectedly rose last month, as many homebuyers seized on builder discounts and rushed to take advantage of expiring down payment assistance programs and other incentives.**

Economists had expected sales of new single-family homes to drop from August levels, but instead they rose 2.7 percent in September to a seasonally adjusted annual rate of 464,000 homes, the Commerce Department reported Monday.

Many homebuilders had boosted incentives in August and September to capitalize on seller-funded down payment programs, which ended Oct. 1.

Builders probably also benefited from another motivating factor: a pending increase from 3 percent to 3.5 percent in the down payment required to qualify for a Federal Housing Administration-insured loan. That also took effect Oct. 1.

Courtesy of JB Goodwin