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## Existing-home sales rose 6.8% in March.

Existing-home sales rose in March as the percentage of first-time home buyers continued to climb ahead of the expiration of a government tax-credit program.

Separately, the number of U.S. workers filing new claims for jobless benefits decreased last week, but the levels still aren't low enough to be consistent with an improving job market. Meanwhile, U.S. wholesale inflation rose by more than expected last month as food prices moved sharply higher, but the core measure that strips out volatile food and energy items barely increased.

**Home resales were up slightly more than expected, climbing 6.8%, to a 5.35 million annual rate from a downwardly revised 5.01 million annual rate in February, the National Association of Realtors said Thursday. Analysts surveyed by Dow Jones Newswires had expected sales to rise to an annual rate of 5.25 million. Sales were up 16% from March 2009.**

Sales of distressed properties, such as foreclosures, accounted for 35% of March sales, the Realtors said.

Lawrence Yun, chief economist for the Realtors group, credited the government's tax-credit program with driving sales higher, but he said it would take months for the full effects of the program to be reflected in the data.

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"The home buyer tax credit has been a resounding success," Mr. Yun said.

He said the Realtors group didn't plan to push for another extension of the program, saying the housing-market recovery had reached a point where that wouldn't be necessary. The tax credits were originally set to expire in November but were expanded and extended to apply to contracts signed through the end of April 2010.

**First-time home buyers purchased 44% of all homes in March, up from 42% in February, the Realtors said.**

The level of all-cash sales was steady at 27%.

**Housing inventory in March rose 1.5% to 3.58 million, representing an eight-month supply. That's down from an 8.5 month supply in February, the Realtors group said.**

**The group said the median price for existing homes of all types rose 0.4% to \$170,700. Home prices were up across most of the U.S., except for in the West, where median prices slipped 7.9% to \$209,400.**

Distressed homes were selling at a discount of about 15%.

Regionally, existing-home sales increased across the board in March. Existing-home sales in the Midwest rose 7.2%. In the Northeast, sales rose 6.0%. They were up 7.1% in the South, and up 6.6% in the West.

**Courtesy of JB Goodwin**