

Existing Home Sales Up 2% in July

Posted on [August 23, 2021](#)

<https://www.themortgagenote.org/existing-home-sales-up-2-in-july/#:~:text=Existing%20Home%20Sales%20Up%202%25%20in%20July%20Posted,two%20consecutive%20months%20of%20increases%20in%20home%20prices>



Existing-home sales rose 2% on a seasonally adjusted annual rate from June to July, with first-time buyers accounting for 30% of sales, according to a report from the [National Association of Realtors®](#). This marks two consecutive months of increases in home prices. There were no sales declines in any region, with two of the four major U.S. regions seeing gains, while one declined and one was unchanged.

Existing home sales, including single-family homes, townhomes, condominiums and co-ops, increased 1.5% from July 2020, up from 5.90 million to 5.99 million. Another sign it's a sellers market: 89% of homes sold within a month of being put on the market.

NAR's chief economist Lawrence Yun acknowledged that many of the sales remain in upper-end markets due to a scarcity of starter homes. Housing starts [fell by 7%](#) in July, but single-family starts were up 12% compared to 2020.

The median existing-home price across the board for July was \$359,900, up from July 2020's \$305,600, a 17.8% increase. The highest increase was Pittsfield, Mass., where home prices have risen 47 percent.

The most affordable markets – where a family can typically afford to buy a home financed with a 10% down payment with an income of \$25,000 or less – are in the Rust Belt areas of Youngstown-Warren Boardman, Ohio (\$24,401); Peoria, Illinois (\$24,013); Cumberland, Maryland (\$23,773); and Decatur, Illinois (\$21,481).

Yun said high sale prices might level off as the number of available homes increases.

Zillow Economist Matthew Speakman agrees. “After months of plumbing new lows, for-sale inventory has begun to meaningfully recover in recent months as sellers come out of the woodwork, providing home shoppers with more options, and likely easing some of the upward pressure on home prices in coming months,” Speakman said in a press release. “It may not be obvious from the July existing home sales data, but signs are emerging that more balance may slowly be coming back to the housing market, offering homebuyers a bit more to work with in ways that could translate to more home sales in the coming months.”