



[Home](#)

Existing-Home Sales Climb Record 20.7% in June

July 22, 2020

Media Contact: Quintin Simmons 202-383-1178

[About NAR](#)

WASHINGTON (July 22, 2020) – Existing-home sales rebounded at a record pace in June, showing strong signs of a market turnaround after three straight months of sales declines caused by the ongoing pandemic, according to the National Association of Realtors®. Each of the four major regions achieved month-over-month growth, with the West experiencing the greatest sales recovery.

Total existing-home sales,¹ <https://www.nar.realtor/existing-home-sales>, completed transactions that include single-family homes, townhomes, condominiums and co-ops, jumped 20.7% from May to a seasonally-adjusted annual rate of 4.72 million in June. Sales overall, however, dipped year-over-year, down 11.3% from a year ago (5.32 million in June 2019).

“The sales recovery is strong, as buyers were eager to purchase homes and properties that they had been eyeing during the shutdown,” said Lawrence Yun, NAR’s chief economist. “This revitalization looks to be sustainable for many months ahead as long as mortgage rates remain low and job gains continue.”

The median existing-home price² for all housing types in June was \$295,300, up 3.5% from June 2019 (\$285,400), as prices rose in every region. June’s national price increase marks 100 straight months of year-over-year gains.

Total housing inventory³ at the end of June totaled 1.57 million units, up 1.3% from May, but still down 18.2% from one year ago (1.92 million). Unsold inventory sits at a 4.0-month supply at the current sales pace, down from both 4.8 months in May and from the 4.3-month figure recorded in June 2019.

Yun explains that significantly low inventory was a problem even before the pandemic and says such circumstances can lead to inflated costs.

“Home prices rose during the lockdown and could rise even further due to heavy buyer competition and a significant shortage of supply.”

Yun’s concerns are underscored in NAR’s recently released [2020 Member Profile](#), in which Realtors® point to low inventory as being one of the top hindrances for potential buyers.

Properties typically remained on the market for 24 days in June, seasonally down from 26 days in May, and down from 27 days in June 2019. Sixty-two percent of homes sold in June 2020 were on the market for less than a month.

First-time buyers were responsible for 35% of sales in June, up from 34% in May 2020 and about equal to 35% in June 2019. NAR's 2019 Profile of Home Buyers and Sellers – [released in late 2019](#)⁴ – revealed that the annual share of first-time buyers was 33%.

Individual investors or second-home buyers, who account for many cash sales, purchased 9% of homes in June, down from 14% in May 2020 and 10% in June 2019. All-cash sales accounted for 16% of transactions in June, down from 17% in May 2020 and about equal to 16% in June 2019.

Distressed sales⁵ – foreclosures and short sales – represented 3% of sales in June, about even with May but up from 2% in June 2019.

“It’s inspiring to see Realtors® absorb the shock and unprecedented challenges of the virus-induced shutdowns and bounce back in this manner,” said NAR President Vince Malta, broker at Malta & Co., Inc., in San Francisco, Calif. “NAR and our 1.4 million members will continue to tirelessly work to facilitate our nation’s economic recovery as we all adjust to this new normal.”

According to Freddie Mac, the [average commitment rate](#) for a 30-year, conventional, fixed-rate mortgage decreased to 3.16% in June, down from 3.23% in May. The average commitment rate across all of 2019 was 3.94%.

Single-family and Condo/Co-op Sales

Single-family home sales sat at a seasonally-adjusted annual rate of 4.28 million in June, up 19.9% from 3.57 million in May, and down 9.9% from one year ago. The median existing single-family home price was \$298,600 in June, up 3.5% from June 2019.

Existing condominium and co-op sales were recorded at a seasonally adjusted annual rate of 440,000 units in June, up 29.4% from May and down 22.8% from a year ago. The median existing condo price was \$262,700 in June, an increase of 1.4% from a year ago.

“Homebuyers considering a move to the suburbs is a growing possibility after a decade of urban downtown revival,” Yun said. “Greater work-from-home options and flexibility will likely remain beyond the virus and any forthcoming vaccine.”

Regional Breakdown

In a complete reversal of the month prior, sales for June increased in every region. Median home prices grew in each of the four major regions from one year ago.

June 2020 existing-home sales in the Northeast rose 4.3%, recording an annual rate of 490,000, a 27.9% decrease from a year ago. The median price in the Northeast was \$332,900, up 3.6% from June 2019.

Existing-home sales increased 11.1% in the Midwest to an annual rate of 1,100,000 in June, down 13.4% from a year ago. The median price in the Midwest was \$236,900, a 3.2% increase from June 2019.

Existing-home sales in the South jumped 26.0% to an annual rate of 2.18 million in June, down 4.0% from the same time one year ago. The median price in the South was \$258,500, a 4.4% increase from a year ago.

Existing-home sales in the West ascended 31.9% to an annual rate of 950,000 in June, a 13.6% decline from a year ago. The median price in the West was \$432,600, up 5.4% from June 2019.

The National Association of Realtors® is America's largest trade association, representing more than 1.4 million members involved in all aspects of the residential and commercial real estate industries.

#

For local information, please contact the local association of Realtors® for data from local multiple listing services (MLS). Local MLS data is the most accurate source of sales and price information in specific areas, although there may be differences in reporting methodology.

NOTE: NAR's Pending Home Sales Index for June is scheduled for release on July 29, and Existing-Home Sales for July will be released August 21; release times are 10:00 a.m. ET.

¹ Existing-home sales, which include single-family, townhomes, condominiums and co-ops, are based on transaction closings from Multiple Listing Services. Changes in sales trends outside of MLSs are not captured in the monthly series. NAR rebenchmarks home sales periodically using other sources to assess overall home sales trends, including sales not reported by MLSs.

Existing-home sales, based on closings, differ from the U.S. Census Bureau's series on new single-family home sales, which are based on contracts or the acceptance of a deposit. Because of these differences, it is not uncommon for each series to move in different directions in the same month. In addition, existing-home sales, which account for more than 90% of total home sales, are based on a much larger data sample – about 40% of multiple listing service data each month – and typically are not subject to large prior-month revisions.

The annual rate for a particular month represents what the total number of actual sales for a year would be if the relative pace for that month were maintained for 12 consecutive months. Seasonally adjusted annual rates are used in reporting monthly data to factor out seasonal variations in resale activity. For example, home sales volume is normally higher in the summer than in the winter, primarily because of differences in the weather and family buying patterns. However, seasonal factors cannot compensate for abnormal weather patterns.

Single-family data collection began monthly in 1968, while condo data collection began quarterly in 1981; the series were combined in 1999 when monthly collection of condo data began. Prior to this period, single-family homes accounted for more than nine out of 10 purchases. Historic comparisons for total home sales prior to 1999 are based on monthly single-family sales, combined with the corresponding quarterly sales rate for condos.

² The median price is where half sold for more and half sold for less; medians are more typical of market conditions than average prices, which are skewed higher by a relatively small share of upper-end transactions. The only valid comparisons for median prices are with the same period a year earlier due to seasonality in buying patterns. Month-to-month comparisons do not compensate for seasonal changes, especially for the timing of family buying patterns. Changes in the composition of sales can distort median price data. Year-ago median and mean prices sometimes are revised in an automated process if additional data is received.

The national median condo/co-op price often is higher than the median single-family home price because condos are concentrated in higher-cost housing markets. However, in a given area, single-family homes typically sell for more than condos as seen in NAR's quarterly metro area price reports.

³ Total inventory and month's supply data are available back through 1999, while single-family inventory and month's supply are available back to 1982 (prior to 1999, single-family sales accounted for more than 90% of transactions and condos were measured only on a quarterly basis).

⁴ Survey results represent owner-occupants and differ from separately reported monthly findings from NAR's [Realtors® Confidence Index](#), which include all types of buyers. Investors are under-represented in the annual study because survey questionnaires are mailed to the addresses of the property purchased and generally are not returned by absentee owners. Results include both new and existing homes.

⁵ Distressed sales (foreclosures and short sales), days on market, first-time buyers, all-cash transactions and investors are from a monthly survey for the NAR's [Realtors® Confidence Index](#), posted at nar.realtor.