



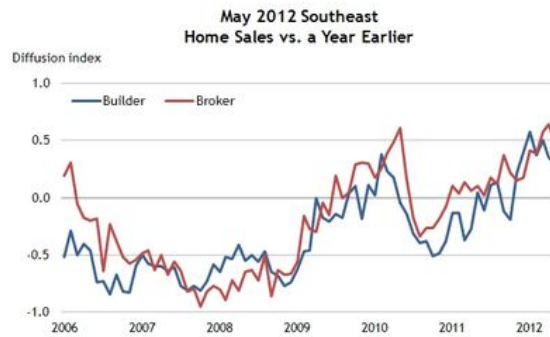
SouthPoint

[« District employment increases modestly in May | Main | Regional tourism: Beyond the beach »](#)

06/20/2012

Southeastern housing update: Regional home sales growth remains positive in May

Southeastern housing contacts continued to report year-over-year gains in home sales during May. More than two-thirds of builders reported that sales in May were flat to slightly up compared with a year earlier. Likewise, roughly two-thirds of brokers reported that sales growth exceeded the year earlier-level. Nearly half of those that reported increases said sales were up slightly, while the remainder reported significant gains. Several builders and brokers noted that the recovery is "spotty." Buyers are being very selective about where they buy, and builders are only building in prime locations.



Source: Atlanta Fed business contact poll

[\(enlarge\)](#)

According to Southeast brokers, midpriced home sales growth continued to outpace the low- and high-end markets. Several brokers reported that the low supplies of foreclosed homes available for sale were restraining investor sales at the low end of the market.

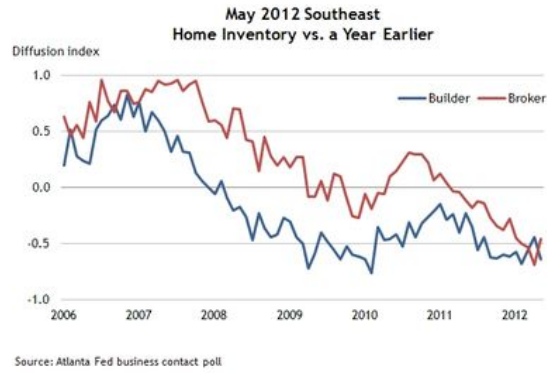


Note: Low, mid, and high are broker defined.

Source: Atlanta Fed business contact poll

[\(enlarge\)](#)

More than half of southeastern builders reported that new home inventories were below the year-earlier level in May, while most brokers reported that inventories were flat to down. Most builders and brokers reported that home inventories were flat to down from April to May.

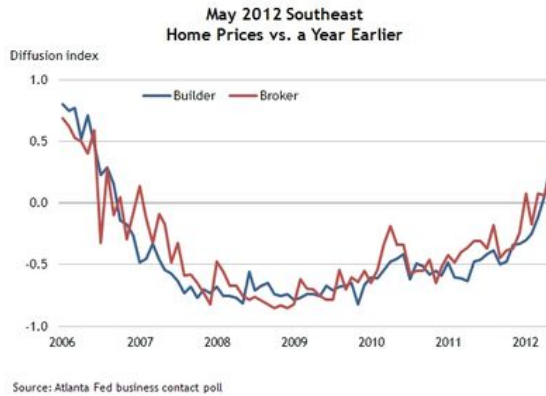


[\(enlarge\)](#)

Market reports from around the region confirm declining home inventories on both an annual and monthly basis.

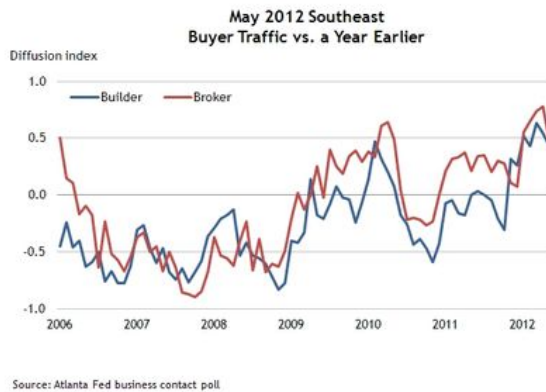
Changes in Regional Home Inventories, May 2012			
Market	Y/Y	M/M	Source
Jacksonville, FL	-30.3%	-7.7%	Northeast Florida Realtors Association
Orlando, FL	-24.9%	-4.6%	Orlando Regional Realtors Association
Nashville, TN	-16.1%	-1.6%	Greater Nashville Association of Realtors
Tampa, FL	-43.8%	-12.4%	Greater Tampa Association of Realtors

Based on reports from Southeastern brokers and builders, it appears that declining inventories have resulted in some stabilization in home prices. The majority reported that home prices were flat to slightly up on a year-over-year basis. However, builders and brokers continued to note downward pressure on home prices. Some reports indicate that purchase offers remain on the low side, and several said that appraisals were coming in lower than the contract price.



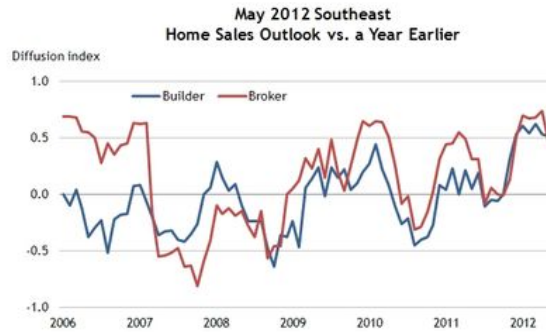
[\(enlarge\)](#)

Southeastern builders and brokers indicated that buyer traffic remained slightly ahead of year-earlier levels in May.



[\(enlarge\)](#)

The outlook among both Southeastern builders and brokers remains positive. The majority anticipate modest annual home sales growth over the next several months. Similarly, most builders anticipate construction activity will remain ahead of year-ago levels over the next several months.



Source: Atlanta Fed business contact poll

[\(enlarge\)](#)

Note: May poll results are based on responses from 58 residential brokers and 30 homebuilders and were collected June 4–13, 2012. The housing poll's diffusion indexes are calculated as the percentage of total respondents reporting increases minus the percentage reporting declines. Positive values in the index indicate increased activity while negative values indicate decreased activity.

By Whitney Mancuso, a senior analyst in the Atlanta Fed's research department

June 20, 2012 in [Construction](#), [Housing](#), [Real Estate](#) | [Permalink](#)

TrackBack

TrackBack URL for this entry:

<http://www.typepad.com/services/trackback/6a011572565d3f970b016767b5f73d970b>

Listed below are links to blogs that reference [Southeastern housing update: Regional home sales growth remains positive in May:](#)

Comments

You can follow this conversation by subscribing to the [comment feed](#) for this post.

Post a comment

Comments are moderated and will not appear until the moderator has approved them.

If you have a TypeKey or TypePad account, please [Sign in](#)

Name:

Email Address:(Not displayed with comment.)

URL:

Remember personal info?

Comments:

[Back To Top](#) [Disclaimer & Terms of Use](#) : [Privacy Policy](#) : [Contact Us](#) : [Home](#)

Federal Reserve Bank of Atlanta, 1000 Peachtree Street NE, Atlanta, GA 30309-4470