



WASHINGTON (May 30, 2013) – Pending home sales improved slightly in April and continue to be well above a year ago, according to the [National Association of Realtors®](#). Gains in the Northeast and Midwest were offset largely by declines in the West and South.

The [Pending Home Sales Index](#),\* a forward-looking indicator based on contract signings, rose 0.3 percent to 106.0 in April from 105.7 in March, and is 10.3 percent above April 2012 when it was 96.1; the data reflect contracts but not closings.

Home contract activity is at the highest level since the index hit 110.9 in April 2010, immediately before the deadline for the home buyer tax credit. Pending sales have been above year-ago levels for the past 24 months.

[Lawrence Yun](#), NAR chief economist, said a familiar pattern has developed. “The housing market continues to squeak out gains from already very positive conditions. Pending contracts so far this year easily correspond to higher closed home sales in 2013,” he said. Total existing-home sales are expected to rise just over 7 percent to about 5 million this year.

“Because of inventory shortages, higher home sales will push up home values to the highest level in five years,” Yun said. The national median existing-home price should increase close to 8 percent and exceed \$190,000 in 2013.

The PHSI in the Northeast jumped 11.5 percent to 92.3 in April and is 17.7 percent above a year ago. In the Midwest the index rose 3.2 percent to 107.1 in April and is 15.1 percent higher than April 2012. Pending home sales in the South slipped 1.1 percent to an index of 119.2 in April but are 12.3 percent above a year ago. With pronounced inventory constraints, the index in the West fell 7.6 percent in April to 94.6 and is 2.6 percent below April 2012.

The National Association of Realtors®, “The Voice for Real Estate,” is America’s largest trade association, representing 1 million members involved in all aspects of the residential and commercial real estate industries. For additional commentary and consumer information, visit [www.houselogic.com](http://www.houselogic.com) and <http://retradio.com>.

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\*The Pending Home Sales Index is a leading indicator for the housing sector, based on pending sales of existing homes. A sale is listed as pending when the contract has been signed but the transaction has not closed, though the sale usually is finalized within one or two months of signing.

The index is based on a large national sample, typically representing about 20 percent of transactions for existing-home sales. In developing the model for the index, it was demonstrated that the level of monthly sales-contract activity parallels the level of closed existing-home sales in the following two months.

An index of 100 is equal to the average level of contract activity during 2001, which was the first year to be examined. By coincidence, the volume of existing-home sales in 2001 fell within the range of 5.0 to 5.5 million, which is considered normal for the current U.S. population.

**NOTE:** Existing-home sales for May will be reported June 20 and the next Pending Home Sales Index will be on June 27; release times are 10:00 a.m. EDT.