

[Comments](#) (0) | [Recommend](#) (0)

New-home sales up 2.7% in September

The surprise increase varied by region, with South and West faring better thanks to steep cuts in home prices.

By Martin Crutsinger

Associated Press

Posted: Monday, Oct. 27, 2008



OBSERVER FILE PHOTO

More Information

- [Local homebuilding still down](#)

Construction of new homes fell in Mecklenburg County in September, according to county data.

The county issued 171 permits for single-family residential construction last month, a 50 percent drop from September 2007. For the first nine months of 2008, permits were down 52 percent compared with the period in 2007. Staff reports

Sales of new homes recorded an unexpected increase in September as median home prices dropped to the lowest level in four years, the Commerce Department reported Monday.

Sales of new single-family homes rose by 2.7 percent last month to a seasonally adjusted annual rate of 464,000 homes, Commerce said. Economists had expected sales would drop from the August level.

The median price of a new home sold in September declined by 9.1 percent from a year ago to \$218,400, the lowest since September 2004, a period when home prices were rising rapidly as the country was experiencing a five-year housing boom.

The surprising increase in September sales still left them 33.1 percent below the level of a year ago as the country weathers its worst housing slump in decades.

The report on a rise in new-home sales followed news last week that sales of existing homes rose in September by 5.5 percent, the largest monthly gain in more than five years.

Analysts are not convinced, however, that the sales increases are signaling a bottom for the housing market. They note that the September gains came before the latest upheavals in financial markets, which have raised new worries about the overall state of the economy.

Results differed between regions. New-home sales fell by 21.4 percent in the Northeast and were down 5.8 percent in the Midwest. But sales rose by a sharp 22.7 percent in the West, which has seen some of the biggest declines in prices, which may have spurred sales. Sales inched up 0.7 percent in the South.



[Subscribe to The Charlotte Observer & Earn Miles.](#)

POWERED BY  Pluck

You must be logged in to leave a comment. [Login](#) | [Register](#)

Submit

Comments:  0 Showing: Newest first 

More comments on this story:

[Disclaimer](#)

The Charlotte Observer is pleased to be able to offer its users the opportunity to make comments and hold conversations online. However, the interactive nature of the internet makes it impracticable for our staff to monitor each and every posting.

Since charlotteobserver.com does not control user submitted statements, we cannot promise that readers will not occasionally find offensive or inaccurate comments posted on our website. In addition, we remind anyone interested in making an online comment that responsibility for statements posted lies with the person submitting the comment, not The Charlotte Observer.

If you find a comment offensive, clicking on the exclamation icon will flag the comment for

review by the administrators, we are counting on the good judgment of all our readers to help us.

Ads by Yahoo!

[Montrose Auto Outlet](http://www.montroseautooutlet.com)
www.montroseautooutlet.com

[Home for Sale Charlotte Nc](http://www.carolinaspremierteam.com)
www.carolinaspremierteam.com