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## US Home sales up in May

Sales on existing homes increased for the second consecutive month the National Association of Realtors reported Tuesday. Home resales improved by 2.4 percent from 4.66 million in April to 4.77 million in May.

Foreclosures and distressed properties accounted for about a third of all sales during that time period. As a result the median home price in the U.S. is \$173,000 down 16.8 percent from \$208,000 in May 2008. Some industry professionals worry that lower home prices might discourage purchases as home values fall with their purchase price.

"We need to have increased sales to stabilize prices," said NAR economist Lawrence Yun.

Low interest rates on traditional mortgages as well as the \$8,000 tax credit for first time home buyers are also given credit for the uptick in home sales. 29 percent of sales in May were from first time home buyers.