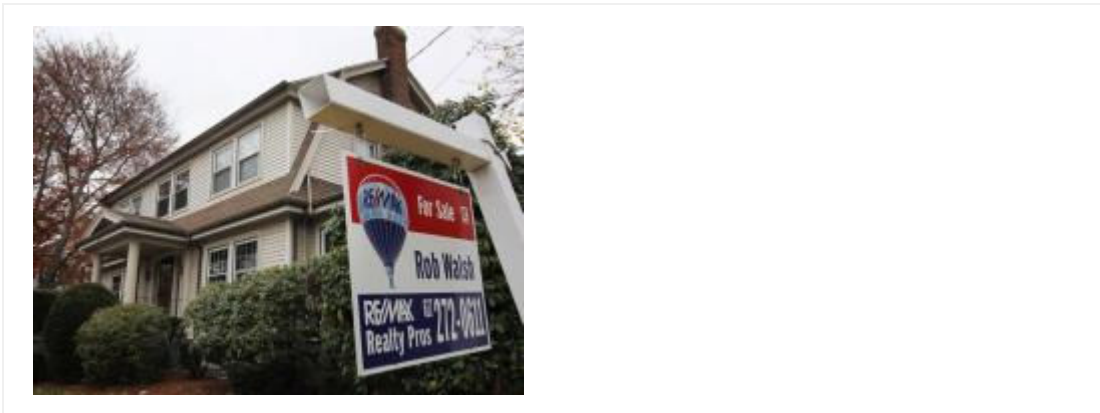


Existing home sales up 1.4%, still at depressed levels

By Derek Kravitz, Associated Press

WASHINGTON – The number of Americans who bought previously occupied homes rose slightly last month but remained at depressed levels. And more deals are being canceled at the last minute, a sign that even those who are looking to buy are worried about the housing market.



Home sales rose 1.4% last month to a seasonally adjusted annual rate of 4.97 million, the [National Association of Realtors](#) said Monday. That's below the 6 million that economists say is consistent with a healthy housing market and slightly ahead of last year's sales — the worst in 13 years.

The sales are measured when buyers close on the homes.

Many deals are falling apart before that point. One third of Realtors say they've had at least one contract scuttled in October, up from 18% in September.

More than two years after the recession officially ended, many people can't qualify for loans or meet higher down-payment requirements. Even those with excellent credit and stable jobs are holding off because they fear that home prices will keep falling. Home sales are also being hurt by a steep decline in first-time buyers.

Sales have fallen in four of the five years since the housing boom went bust in 2006.

Declining prices and record-low mortgage rates haven't been enough to boost sales.

Most economists say home prices will keep falling, by at least 5%, through the rest of the year. Many forecasts don't anticipate a rebound in prices until at least 2013.

The high rate of foreclosures has made re-sold homes much cheaper than new homes.

The median price of a new home is roughly 30% higher than the price of one that's been occupied before — twice the normal markup.