

New-home sales at best in five years

By Julie Schmit

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Sales of new homes in the U.S. climbed in May to a seasonally adjusted annual rate of 476,000, up 2.1 percent from April, the government reported Tuesday.

The government's report beat economists' consensus forecast for an annual rate of 468,000. April's rate was revised up to 466,000 from the previously reported 454,000.

The median selling price rose to \$263,900, up 3.3 percent from a year ago.

Demand for new and existing homes, as well as big price gains, are powering a housing recovery that's helping the overall economy.

Year over year, new home sales were up 29 percent, the Commerce Department said. Compared with April, sales were up in the Northeast, Midwest and the West but were down in the South.