

Housing inventory hits record as sales slow

By [Brian Wargo / Staff Writer](#)

The inventory of homes on the market swelled to an all-time high in June, but this time the jump was caused by a further slowdown in home sales.

There were 23,642 homes on the Multiple Listing Service at the end of June, an increase of 2.6 percent from May and 18 percent from June 2006, according to the Greater Las Vegas Association of Realtors.

The reason for the increase was the number of home purchases declined by 6 percent from May. Only 1,476 homes were sold in June, 42 percent below June 2006.

The number of new listings put on the market in June fell 5 percent to 5,476 in June.

Most of the homes on the MLS are existing homes. Of those that sold in June, buyers paid a median price of \$305,000 — 1.2 percent more than they paid in May. Despite the slight increase, June's prices were 3 percent below June 2006.

It appears more certain that sellers are beginning to understand they must cut their prices to sell their homes.

The median price of the new listings in June was \$329,835, 2.5 percent below the May price and 5.5 percent less than homeowners asked for in June 2006.

Devin Reiss, president of the Realtors group, said he's not surprised inventory increased in June because that's the typical summer pattern as more people move.

As for the median price increasing in June, Reiss said he considers that an indication some sellers are able to get their asking prices if they want to hold out.

But he added that if sellers are serious about selling their property, they should price it to the market.

Las Vegas housing analyst Dennis Smith, president of HomeBuilders Research, said the numbers show some good news because there were fewer listings, but the increase in inventory shows the bottom hasn't been hit.

"This is going to be a long process, and we aren't going to pull out of this overnight," Smith said.

Smith said the hot weather may be to blame for any reduction in sales. People are more reluctant to go out and look at homes when it's hot, he said.

There were mixed signals for the condo and townhome market in June.

The number of units put on the market dropped 1.3 percent from May to 6,263, and overall, the number of new listings fell nearly 15 percent from May.

Like the single-family home market, however, sales were sluggish. There were 344 units sold, down nearly 8 percent from May and 42 percent from June 2006.

The median price of units sold was \$194,250, up 2.2 percent from May. That price, however, is down 5.2 percent from June 2006.