

# Opinion: More buyers than sellers in Tahoe housing market

By Robert Stiles

The low supply of housing inventory is giving some economists reason to believe we are in for much bigger price gains this year.

As of Jan. 31, there were 111 active single-family homes on the market in South Lake Tahoe. We haven't seen numbers that low since spring 2005. That's less than a three-month supply of housing inventory. This means that buyers are dominating the market, while there are relatively few sellers.

The tightening in supply is not expected to continue, however. I expect to see a rise in the number of willing sellers, which means inventory will hit a bottom soon.

Twenty-eight percent of the single-family homes sold during the last 90 days were bank owned properties or short sales. At the beginning of 2012 distressed sales accounted for more than half of our local sales.

Some economists are saying we have an artificial increase in housing values, but only time will tell if they are right or wrong.

The yearlong decline in the number of distressed sales as well as housing inventory has stabilized our local market values.

As of Jan. 31, the median sales price for a single-family residential home (per the South Tahoe Association of Realtors) had declined 0.4 percent from \$250,000 a year ago to our current \$249,000. We hit bottom in August 2012 at \$234,000.

Statistics for some of our area neighborhoods: Gardner Mountain area has declined 0.2 percent in value from a year ago. Montgomery Estates is down 12.5 percent, while Y area values are up 35.9 percent from a year ago. For those living in Tahoe Keys, market values have increased 6.7 percent.

*Robert Stiles is with Tahoe Real Estate Services.*