

Home sales tick up in September

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Associated Press

WASHINGTON - Home sales rose slightly last month as the Houston housing market quickly recovered from Hurricane Harvey. Still, a shortage of available homes is thwarting many would-be buyers and limiting sales.

The National Association of Realtors said Friday existing-home sales increased 0.7 percent to a seasonally adjusted annual rate of 5.39 million. That's the first increase after three

months of declines.

Yet sales have fallen 1.5 percent from a year ago, the first year-over-year decline since July 2016. That's because so few homes are for sale, particularly at lower prices. Buyers have bid up housing costs: The median home price rose to \$245,100, up 4.2 percent from a year ago. That's faster than wage gains.

"It's simply impossible to sell more homes when the number of homes for sale keeps falling," said Svenja Gudell, chief economist for housing data provider Zillow. "And the parts of the mar-

ket most in need of more homes for sale, the low-to-middle segments, are also those experiencing the biggest inventory shortfalls."

Home construction has been slowed by a shortage of available workers, developers say. Home construction fell 4.7 percent last month, partly because of the hurricanes. And many home owners are reluctant to sell with so few other houses available, creating a vicious cycle.

New construction may slow even more in the coming months, keeping inventories low, the Realtors said.

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