



South Florida's inventory of existing homes for sale is expanding

By Toluse Olorunnipa, The Miami Herald
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After slimming down to about half its peak size over the past 20 months, South Florida's inventory of existing homes for sale has slowly begun to expand again, according to a report published Monday by real estate consultancy Condo Vultures.

In June, the number of condos, townhomes and single-family residences on the market in [Miami-Dade](#), Broward and [Palm Beach](#) counties rose by about 2.5 percent, posting increases for each of the past four weeks, the report found.

It's the first time South Florida's supply of residences on the market has risen four consecutive weeks since Condo Vultures began tracking in 2008, said Peter Zalewski, a principal at the Bal-Harbour-based consultancy.

"This is the first time since [Nov. 4, 2008](#), that we have three — let alone four — weeks of increase," he said. "It's only four weeks, but if that turns into 12 weeks, [the South Florida housing market] could be in trouble."

The number of residences on the market increased to 66,850 on Monday, up from 65,220, the report found. The increase, while small, comes after nearly two years of consecutive month-over-month decreases in inventory, as South Florida's glut of residences for sale has fallen from its peak of more than 100,500.

The increasing inventory could be a signal that homeowners who have been waiting patiently for a rebound may be starting to put their homes back on the market, said Jack McCabe, CEO of McCabe Research & Consulting. The glut will likely grow greater as tens of thousands of foreclosure files enter the market.

"The fact is that there's probably two to three times as much inventory as what the Realtors are saying on MLS," McCabe said. With South Florida condo prices still on the decline and single-family home prices only recently beginning to rebound, an increasing inventory could stall a recovery.

"There's been a continuous deterioration in prices," Zalewski said. "If you factor in that increase in inventory, that deterioration is just going to continue to increase."

<http://www.sun-sentinel.com/business/fl-home-inventory-20100628,0,2860664.story>