❖Clark County Market Report❖

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Put it in the record books, the Clark County real estate market established new benchmarks for sales in 2003. There were 7,673 closed residential sales reported to RMLS, up 21.45% from 2002. Even more impressive was the increase in total sales including residential, land, and commercial/investment. There were 8,621 *Solds Year To Date* reported to RMLS, an increase of 24.04% from 2002, our previous record. December was also an exceptionally good month for closed sales. You may recall there were a record number of closed sales in December 2002, up 64.55% from December 2001. Yet December 2003 surpassed that record, reflected by the 572 *New Closed Residential Sales* reported, an increase of 5.34% from December 2002.

December was also a good month for new sales activity, although it was weaker than December 2002. You may recall that December 2002 was the also the best on record for new pending sales, with an increase of 21.11% compared to December 2001. Even more impressive was the fact that it was better than about half the months on record. While December 2003 did not beat that record, the 434 *New Pending Residential Sales* reported to RMLS were down just 5.45% from December 2002, and were up 14.51% from December 2001. At the end of December there were still 1436 pending sales waiting to close. This was down 10.70% from December 2002, which was the record high to that date. Even though the number of pending sales is off somewhat from that record high, the number of pending sales waiting to close still represents a very good start for the new year.

	December 2003	**% Change** from Dec. '02
Active Listings	2288	-29.53%
Solds Year To Date	8621	24.04%
New Closed Residential Sales	572	5.34%
New Pending Residential Sales	434	-5.45%
Time On Market-Solds	84	-11.58%
Average Sale Price-All MLS	$190,514	8.77%
Median Sale Price-Residential	$175,000	7.89%

At year end, the weakest aspect of the market was inventory. While there were 0.22% more new listings submitted to RMLS in 2003 compared to 2002, the number of *Active Listings* fell to 2288 in December, down 29.53% from December 2002. Since there were more new listings submitted in 2003, the year-long decline in the number of *Active Listings* was clearly the result of strong sales. The result though was that there were just 3.2 months of available residential inventory at the end of December, down 25.58% from 4.3 months' supply in December 2002.

It should be no surprise that prices continued to edge up in December. *Average Sale Price-All MLS* was $190,514, up 8.77% from December 2002, and *Median Sale Price-Residential* finished the year at $175,000, up 7.89% from December 2002. In December the average residential sale price was $204,600, up 9.53% from $186,800 in December 2002, the sixth month in a row in which the average residential sale price was over $200,000.

There are a number of reasons to believe that the market in 2004 will be good. These include strong new sales activity in the last quarter, a large backlog of pending sales, and low interest rates. Yet despite these positives, the key to the 2004 market will be inventory. If we can provide the homes and land necessary to meet the demand, 2004 should be a very good year with the potential to be better than 2002, even though it may not beat 2003's record. But if inventory is inadequate to meet the demand, it will be very difficult to maintain the activity we have seen in the past two years.

Compiled from Realtors Multiple Listing Service data.