



Clark County Market Report



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December closed out the year in the Clark County real estate market with weak activity across the board. New sales activity was a good indicator of what was, or wasn't happening. And while new sales activity was weaker than it has been in the last few years, you might be surprised to hear this was not the worst December on record. In December there were only 272 *New Pending Residential Sales* reported, down 42.6% from December 2006 and down 46.91% from December 2005. Interestingly though, there were more *New Pending Residential Sales* reported in this December than in December 1999, 2000, and 2001. So before you write the obituary for the market remember, it has been worse.

Closing activity was even more anemic than new sales activity in December. Reflecting this were the 297 *New Closed Residential Sales* reported, down 24.6% from November, down 41.5% from December 2006, and down 57.9% from December 2005. This was easily the worst month for closings in the last decade, and it was the result of weak new sales activity in the fourth quarter. Yet despite the fourth quarter, total sales for the year were actually better than 1999, 2000, 2001, and were down only 1.3% from 2002. For 2007 there were 6,860 *Solds Year to Date* reported, down 17.6% from 2006, and down 33.3% from 2005. So while this was the worst year in the last several years for total sales, it was by no means the worst year in recent history. The bad news was that the pipeline of pending sales waiting to close had gotten pretty empty, with only 841 pending sales waiting to close at the end of the year. Consequently, even once the market picks up, it will take a while to show up in closed sales.

Listing activity was also comparatively weak in December, although it was comparable to levels seen in 2002, 2003 and 2004. Indicative of this were the 555 new residential listings submitted, down 16.9% from December 2006, and down 28.4% from December 2005. This was good news because it helped reduce the number of *Active Listings* to 6,114 at the end of the year, down 1.1% from November but up 24.6% from December 2006. Despite this reduction in *Active Listings*, at the rate sales closed in December there were 12.7 months of available residential inventory, the highest level of available inventory this year and up dramatically from 11.0 months in November.

Not surprisingly, prices finished the year virtually unchanged from 2006. For example, *Average Sale Price-All MLS* was statistically unchanged from November at \$310,669, up just 0.4% from December 2006, but up 13.3% from December 2005. *Median Sale Price-Residential* was also unchanged from November at \$260,000, and exactly the same as it was in December of 2006, but up 6.5% from December 2005. It is interesting to observe that both the *Average Sale Price-All MLS* and *Median Sale Price-Residential* are still above 2005 levels, but if this market remains soft prices will likely approach 2005 levels. Indicative of this was the average residential sale price which fell 4.3% from December 2006 to \$291,800, up just 4.4% from December 2005.

Despite the softness in the market, there is perhaps more good news in this market than we have seen in a while. The good news includes the combination of great interest rates, abundant inventory, and prices that are falling to levels they were at over two years ago. These are the basic components for recovery, and the fact that they are in place suggests that even though the market may not be at bottom, we may be seeing the bottom from here. And all of that gives buyers good reasons to get back into the market.

	December 2007	% Change from Dec. '06
Active Listings	6,114	27.6%
Solds Year To Date	6,860	-17.6%
New Closed Residential Sales	297	-41.5%
New Pending Residential Sales	272	-42.6%
Time On Market -Residential Solds	94	14.6%
Average Sale Price-All MLS	\$301,669	0.4%
Median Sale Price-Residential	\$260,000	0.0%