



Clark County Market Report



Mike Lamb, Associate Broker
Windermere Vancouver, 360-694-4050

www.MikeLamb.info

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There was good news in September for the Clark County real estate market. One bit of good news was that new sales activity remained consistent with the significantly better levels seen since June. Reflecting this were the 583 *New Pending Residential Sales* reported, statistically unchanged from any of the previous three months, and up 33.4% from September 2008. This was even up 44.0% from September 2007, and up 2 pending sales from September 2006, so to say it as a good month for pending sale activity is no stretch. Furthermore, the fact this was the fourth month in row in which *New Pending Residential Sales* have remained above 580 suggests the market is establishing a new baseline which is significantly better than anything we have seen since 2007.

There was also good news in closing activity. There were 470 *New Closed Residential Sales* reported, up 2.4% from August, up 20.2% from September 2008, and up 23.0% from September 2007. This was the third best month for closed sales this year, after July and June. Yet despite the good closing month there were 3,646 *Solds Year To Date* reported at the end of September, down 5.4% from September 2008. The good news was that in September the total number of residential sales closed for the year moved ahead of the number reported in September 2008 by 2.2%, ensuring that 2009 sales will exceed the total for 2008. Also good news was the fact that the backlog of pending sales waiting to close grew 2.9% in September to 1,148.

More good news was the fact that the oversupply of inventory continued to shrink in September. In part this was due to relatively weak listing activity. There were only 819 new residential listings submitted in September, down 6.3% from August, and down 10.4% from September 2008. At the end of September there were 5,356 *Active Listings*, down 3.6% from August, down 26.8% from September 2008, down 19.6% from September 2007, and up just 1.2% from September 2006. In fact, this was the smallest number of *Active Listings* available since February 2007.

With the continued decline in inventory, RMLS reported there were 7.6 months of available residential inventory in September, down from 8 months in August. But based on the number of new pending sales reported in September, there would be only 6.3 months of available inventory, down from 6.4 months in August and 6.5 months in July. And this is significant because we are seeing somewhat limited choices in the lower price ranges.

Despite the improving market, average prices were weaker in September. For example, *Median Sale Price-Residential* was down 3.7% from September to \$211,800, down 9.5% from September 2008 and down 20.8% from September 2007. *Average Sale Price-All MLS* was up just 0.2% from August at \$241,002, down 13.7% from September 2008 and down 20.5% from September 2007. Similarly, average residential sale price fell 7.1% from August to \$232,200, down 15.8% from September 2008.

This market is showing all the signs of regaining its footing. And while it is still difficult to predict what will happen in the longer term, for the short term some trends are emerging. One of those is the limited inventory in the lower price ranges which should cause prices in that market segment to increase. That will provide incentives for sellers to reenter the market in order to take advantage of the great prices for move up homes. In turn, that will address another issue which has been weaker activity in the move-up market segments because of the large percentage of foreclosures and short sales being sold. As more houses sell, that in turn will improve sales of homes in the higher price ranges. And that will be the next benchmark as this market continues to normalize.

	September 2009	% Change from Sept. '08
Active Listings	5,356	-26.8%
Solds Year To Date	3,646	-5.4%
New Closed Residential Sales	470	20.2%
New Pending Residential Sales	583	33.4%
Average Days On Market-Residential Solds	150	2.7%
Average Sale Price -All MLS	\$241,002	-13.7%
Median Sale Price-Residential	\$211,800	-9.5%