



Clark County Market Report



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The Clark County real estate market continued to recover in October. The best indicator of this was new sales activity which was off just 1.2% from September, primarily due to seasonal factors. Despite that modest decline, this was the best October for new sales activity since 2006. Reflecting this were the 576 *New Pending Residential Sales* reported, up an impressive 57.0% from October 2008 and up 22.8% from October 2007. Perhaps more significant was the fact that this was the fifth month in a row in which *New Pending Residential Sales* have remained above 575. The fact that new sales activity has remained so consistent continues to suggest the market is establishing a new baseline of activity that is much better than anything we have seen since over the last two years.

October was also a good month for closing activity, posting more sales closed than any month since August 2007. Reflecting this were the 535 *New Closed Residential Sales* reported, up 13.8% from September, up 52.0% from October 2008, and up 36.5% from October 2007. As a result of the good closing activity, there were 4,122 *Solds Year To Date* reported, up 1.0% from October 2008. Even better, total residential sales closed were up 7.0% from October 2008. Furthermore, despite the good closing activity the backlog of pending sales ended the month at 1,155, large enough to ensure that total sales for the year will easily beat 2008's anemic performance.

Inventory continued to shrink in October, partially due to the relatively good news sales activity. But it was even more the result of continuing weak listing activity. There were only 765 new residential listings submitted in October, down 6.6% from September, and down 13.0% from October 2008. At the end of October there were 5,257 *Active Listings*, down 1.9% from September, down 25.8% from October 2008, and down 19.5% from October 2007. This was the smallest number of *Active Listings* available since January 2007.

With this decline in inventory, RMLS reported there were 6.4 months of available residential inventory in October, down from 7.6 months in September. This was the lowest it has been since September 2006. Furthermore, based on the number of new pending sales reported in October, there would be only 6.2 months of available inventory. It should come as no surprise that agents are reporting limited inventory in some price ranges.

Interestingly, despite the improving market, average prices have not yet begun to increase. For example, *Median Sale Price-Residential* was down 5.6% from September to \$200,000, down 14.5% from October 2008 and down 20.6% from October 2007. *Average Sale Price-All MLS* was down 0.9% from September at \$238,734, down 13.5% from October 2008 and down 20.9% from October 2007. Similarly, average residential sale price fell 5.8% from September to \$219,700, down 16.3% from October 2008.

The most significant thing about the Clark County market is that new sales activity has been staying at a level that will sustain a reasonable market. And while we would like to see more sales activity, the fact that the market has stabilized is a huge improvement from a year ago. Now we can talk about recovery. The next step is that as inventory shrinks, prices should begin to increase, albeit perhaps slowly. That will give sellers more incentive to reenter the market, and as they sell their houses that will fuel more improvement in the market. For now though, there are three good reasons to buy: great prices; low rates; and tax credits . . .

	October 2009	% Change from Oct. '08
Active Listings	5,257	-25.8%
Solds Year To Date	4,122	1.0%
New Closed Residential Sales	535	52.0%
New Pending Residential Sales	576	57.0%
Average Days On Market-Residential Solds	138	-9.8%
Average Sale Price- All MLS	\$238,734	-13.5%
Median Sale Price- Residential	\$200,000	-14.5%