Clark County Market Report

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Improvements that started in April and May in the Clark County real estate market stepped up dramatically in June. In fact, in terms of new sales activity, this was the best month since July 2007. This was best seen in the 589 *New Pending Residential Sales* reported, up 8.9% from May, and up 30.6% from June 2008. And while this was very good news, it was also significant that this was the sixth month in a row in which new sales activity has improved compared to the last half of 2008.

It was also a good month for closed sales, which should be no surprise following three months of better new sales activity. In June there were 480 *New Closed Residential Sales* reported, up 36.0% from May, and up 14.8% from June 2008. In fact, this was the largest number of *New Closed Residential Sales* reported since August 2008. This improvement in closed sales was also good news for *Solds Year To Date*, which reached 2,191 by the end of June, down only 10.0% from June 2008. Even better, the backlog of pending sales waiting to close continued to grow. At the end of June there were 1,092 residential pending sales waiting to close. This was the largest backlog of residential pendings since May 2007. So with the increase in new sales activity, and the growing backlog of pending sales, total sales for the year are on track to easily exceed 2008's numbers.

Despite the other improvements in the market, listing activity remained relatively weak in June. There were 983 new residential listings submitted in June, up a significant 19.2% from May, but down 23.0% from June 2008. At the end of June there were 5,638 *Active Listings*, down 3.7% from May, down 25.4% from June 2008, and down 11.3% from June 2007. This was the tenth month in a row in which the total number of *Active Listings* has fallen from the previous month.

As a result of the decline in the number *Active Listings*, and the increase in new sales activity, residential inventory continued to fall dramatically. Based on the number of sales closed in June, RMLS reported there were 7.9 months of available residential inventory, down from 11.1 months in May. But based on the number of new pending sales reported in June, there would be only 6.7 months of inventory. Considering the number of active short sale listings that have offers on them, the reality is that available inventory is closer a six month supply than it is to seven.

Despite the improvements in the market, average prices did not change much in June. For example, *Median Sale Price-Residential* fell 1.2% from May to $212,500, down 15.0% from June 2008 and down 20.0% from June 2007. *Average Sale Price-All MLS* was virtually unchanged from May at $241,119, down 14.7% from June 2008 and down 22.1% from June 2007. But the average residential sale price was up 2.0% from May, even though it was still down 12.2% from June 2008.

	June 2009	**% Change** from June '08
Active Listings	5,638	-25.4%
Solds Year To Date	2,191	-10.0%
New Closed Residential Sales	480	14.8%
New Pending Residential Sales	589	30.6%
Average Days On Market-Residential Solds	153	This data was not collected last year
Average Sale Price -All MLS	$241,119	-14.7%
Median Sale Price-Residential	$212,500	-15.0%

The most significant change in this market has been the cumulative improvement over time. With three months of improved new sales activity, it seems safe to say the market has turned the corner. And while that is not to say there won't be challenges ahead, it does suggest that the worst is over for the Clark County housing market. Now with prices and rates both making it attractive to buy, the real issue is employment. While the market can continue to clunk along at its current pace, true recovery will ultimately depend upon the number of jobs increasing. And ironically, if recent history is an indicator, some of that job creation will depend upon continued improvement in the housing market. Still this is a good start . . .