



Clark County Market Report



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August was another good month for the Clark County real estate market. This was noteworthy because August is typically vacation time and the market usually reflects that. New sales activity was almost as good as it was in July, with 591 *New Pending Residential Sales* reported, down just 7 pendings from July, up 25.0% from August 2008 and up 12.4% from August 2007. It was a good August, and it was the third month in a row in which New Residential Pendings were close to the 600 mark. Furthermore, this was the first time since October 2007 when there have been three consecutive months of new sales activity at these levels.

In contrast, closing activity weakened somewhat after July's high for the year. There were 459 *New Closed Residential Sales* reported, down 12.6% from July, but up 11.1% from August 2008, and still down 22.9% from August 2007. Even despite the decline from July, it was still the third best month for closed sales this year, after July and June. Interestingly, despite the weaker closing activity, the gap between *Solds Year To Date* narrowed. By the end of August there were 3,275 *Solds Year To Date*, down just 3.2% from August 2008. Also good news was the fact that the backlog of pending sales waiting to close grew significantly in August. This reflects the longer times required to close sales due to new financing requirements. At the end of August there were 1,116 residential pending sales waiting to close, up 3.3% from July and further evidence that total sales for the year will be better than they were in 2008.

Listing activity was another category that weakened in August. There were only 874 new residential listings submitted in July, down 2.8% from July, and down 21.4% from August 2008. At the end of August there were 5,553 *Active Listings*, down 2.4% from July, down 25.4% from August 2008, and down 16.6% from August 2007. It is worth noting that except for July's increase in *Active Listings*, listing inventory has been declining steadily since June 2008.

Despite the continued decline in inventory, RMLS reported that there were 8 months of available residential inventory in August, up from 7.3 months in July. Remember that RMLS calculates this based on closed sales. But based on the number of new pending sales reported in August, there would be only 6.4 months of available inventory, a decrease from 6.5 months in July. More importantly, the fact that this indicator is so close to 6 months highlights the fact that we are seeing limited choices in some of the lower priced market segments.

Interestingly with the market remaining relatively good in August, prices began to improve slightly. For example, *Median Sale Price-Residential* was up 3.3% from July to \$220,000, down only 8.0% from both August 2008 and August 2007. *Average Sale Price-All MLS* was virtually unchanged from July at \$240,538, down 14.1% from August 2008 and down 20.7% from August 2007. Average residential sale price rose 5.27% from July to \$249,800, down 8.8% from August 2008.

The indicators show that the market is definitely improving. Furthermore, anecdotal evidence shows that well priced homes in good condition are beginning to sell more quickly, and in some cases with multiple offers. These are encouraging signs, yet there are still challenges. One of those is limited inventory in the most affordable price ranges. In order to sustain a healthy recover, listing activity will have to increase. Additionally, lending is becoming increasingly problematic with continuing changes to underwriting guidelines that make it more difficult to obtain financing. Fortunately, well qualified buyers can still find really good values, at least for now . . .

	August 2009	% Change from Aug. '08
Active Listings	5,553	-25.4%
Solds Year To Date	3,275	-3.2%
New Closed Residential Sales	459	11.1%
New Pending Residential Sales	591	25.0%
Average Days On Market- Residential Solds	158	147
Average Sale Price -All MLS	\$240,538	-14.1%
Median Sale Price- Residential	\$220,000	8.0%