

# Clark County Market Report

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The Clark County real estate market improved significantly in almost all categories from February to March. The most impressive improvement was in new sales activity, which increased more in March than it did even in the boom years of the mid-2000s. This could be seen in the 563 *New Pending Residential Sales* reported, which were up 38.0% from February. Even with this increase however, *New Pending Residential Sales* were down 15.3% from tax credit stimulated March 2010, but were up 25.1% from March 2009, and up 22.7% from March 2008. And even though this increase was more impressive because the market was starting from a relatively low level, the fact that this was the third month of improvement in new sales activity was especially significant.

Closing activity also improved dramatically in March. This could be seen in the 390 *New Closed Residential Sales* reported, up 42.3% from February, and down just 13.0% from March 2010, but up 12.7% from March 2009, and up 2.4% from March 2008. More impressively, on the strength of March's closings, *Solds Year To Date* increased to 1,159, down just 2.4% from 2010, but up an impressive 34.8% from March 2009, and up 11.0% from March 2008. So while it is too soon to know if 2011 will surpass 2010, it already looks like total sales for the year could easily be better than they were in either 2009 or 2008. And while one might wish for more, the fact that the trajectory of the market has changed is especially important.

Even listing activity improved in March, increasing 9.1% from February. Still it remained relatively weak with 795 new residential listings submitted, down 18.9% from March 2009. As a result there were 4,674 *Active Listings* at the end of March, up just 0.6% from February (at a time when inventory typically grows significantly), down 12.4% from March 2010, down 22.8% from March 2009, and down 32.0% from March 2008. As has been the case for several months, this was the smallest number of *Active Listings* available since 2006. Even more significantly, based on the number of new pending sales in March there was just 6.0 months of inventory available, down from 8.3 months in February.

In contrast to improvements in other categories, prices continued to weaken in March. For example, *Average Sale Price-All MLS* was \$206,337, down 4.0% from February, down 11.8% from March 2010, and down 16.1% from March 2009. *Median Sale Price-Residential* fell 1.9% from February to \$186,400, down 11.2% from March 2010, and down 17.2% from March 2009. Similarly, the average residential sale price fell 6.5% from February to \$213,500, down 12.7% from March 2010. These declines reflected both the fact that prices typically lag the market as it starts to improve, and the fact that the lower price ranges are beginning to see more activity than they were. And that is good news.

	DATA FOR MARCH 2011	Change from Mar. 2010
Active Listings	4,674	-12.4%
Solds Year To Date	1,159	-2.4%
New Closed Residential Sales	390	-13.9%
New Pending Residential Sales	563	-15.3%
Average Days on Market-Res. Solds	160	22.1%
Average Sale Price-All MLS	\$206,337	-11.8%
Median Sale Price-Residential	\$186,400	-11.2%

*While these improvements are great news, there are still challenges. The most significant of which is a growing lack of good inventory. Anecdotal evidence suggests that good listings are rare in some price ranges and property types, (while short sales with offers on them, and listings in bad condition overstate the amount of salable inventory). This is a dilemma because until prices increase, some sellers will wait for a better market, even though good inventory is essential to sustain an improving market. Fortunately, as the market continues to improve, prices will start to rise again, and that will help solve this challenge.*