Clark County Market Report

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Despite record low levels of inventory, the Clark County real estate market had a very good January. The best indication of that was in new sales activity, reflected by the 661 *New Pending Residential Sales* submitted to RMLS. That was up 33.5% from December, up 12.8% from January 2017, but down 5.0% from January 2016, which was the best new sales activity for the month since 2006. To put that in historical perspective, new sales were down 7.6% from January 2006, and down 14.8% from the January 2005 record. Additionally, that strong new sales activity caused the backlog of sales waiting to close to grow 19.7% in January to 1,353 pending sales. At the rate sales closed in January, that represents 2.9 months of closings, which is a really good start for 2018.

January was also a very good month for closing activity. You could see that in the 468 *New Closed Residential Sales* reported to RMLS, down 25.4% from December 2016, and typical of the seasonal pattern, but down just 4.9% from a very good January 2017. In fact, the number of sales closed in January was better than any other January since 2005, and down just 5.7% from 2005's record. As a result, by the end of the month there had been 545 *Solds Year To Date* reported to RMLS, down just 3.9% from a very good January 2017, but up 1.9% from January 2016, and much better than any other January in recent memory, including 2005.

Surprisingly, the most significant indicator of market strength in January was listing activity, which was better than it has been in any January since 2011. Reflecting that were the 757 new residential listings submitted to RMLS, up 20.5% from January 2017. Yet with the strong new sales activity there was still only 1.15 new listings for each new pending sale. As a result, at the end of January there were just 1,508 *Active Listings* available, down 5.6% from December, down 11.3% from January 2017, down 16.9% from January 2016, and down 36.7% from January 2015. This was easily the fewest listings available in January since at least 1990. As a result, based on the number of pending residential sales, and taking into account only standing inventory, there were just 1.2 months of residential inventory available.

Not surprisingly, average prices continued to push higher in January. For example, *Average Sale Price-All MLS* was $364,313, up 9.6% from January 2017 and up 20.1% from January 2016. Similarly, *Median Sale Price-Residential* was $345,000, up 15.5% from January 2017, up 32.7% from the previous high in January 2007, and up 107.8% from January 2012, which was the low during the downturn. And the average residential sale price was $369,400, up 10.5% from January 2017, and up 22.3% from January 2016. This upward pressure on prices will continue as long as the supply of inventory remains so low and demand remains strong.

	JANUARY 2018	Change from Jan. 2017
Active Listings	1,508	-11.3%
Solds Year To Date	545	-3.9%
New Closed Residential Sales	468	-4.9%
New Pending Residential Sales	661	12.8%
Average Days on Market-Res. Solds	57	-8.1%
Average Sale Price-All MLS	$364,313	9.6%
Median Sale Price-Residential	$345,000	15.5%

The fact that new listing activity was as strong as it was in January was really good news. Yet, it is really significant that despite having the best new listing activity in January since 2011, the total of number of listings available continued to fall. Clearly, demand continues to outstrip supply. But even more importantly, that tells us the market could be even better if there was enough inventory to meet the demand. That also explains the continuing upward pressure on prices. So even though the Median Sale Price-Residential was up 32.7% from the previous high in January, and up 107.8% from the previous low, prices appear poised to push even higher. Clearly, we still need a lot more good listings . . .