

Clark County Market Report

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The Clark County real estate market closed out 2013 with a December that was in many ways the best since 2006. This could be seen in the 475 *New Closed Residential Sales* reported, up 8.2% from November, and up 21.8% from December 2012, making this by far the best December for closings since 2006. In fact, December closings were down just 6.6% from December 2006. And more good news, the strong closing activity meant that total sales for the year were also the best since 2006. At the end of the year there were 7,280 *Solds Year To Date*, up 21.3% from 2012, up 28.7% from 2011, and up 6.1% from 2007, which was the next best year since 2006. This was a very good ending to a good year.

In contrast, new sales activity was not quite as strong. Reflecting this were the 342 *New Pending Residential Sales* reported, down 5.5% from December 2012, and down 8.6% from December 2011, which was the best since 2006. Interestingly though, *New Pending Residential Sales* in December have been pretty consistent since 2008, ranging from 342 to 374, only a 9.4% range. When you consider that Christmas fell in the middle of the week, thus reducing the number of working days in December, it was not bad. Furthermore, the strong closing activity may have taken some energy that would have otherwise gone into new sales activity in an otherwise very busy month.

Listing activity typically slows in December, and this year was no exception. But it was much better than last year with 424 new residential listings submitted, up 18.4% from December 2012. And this ended the year with 25% more new residential listings submitted than in 2012. Even so, there were only 1.2 new listings for every pending sale reported. As a result, the number of *Active Listings* fell to 2,635, down 17.2% from December 2012, and down 33.1% from December 2011. This was the smallest number of *Active Listings* available in December since 2005. More significantly, based on the number of new pending sales, and considering only active residential listings without offers, there were just 5.3 months of residential inventory available. And, if you exclude homes under construction or proposed, there were only 3.9 months of inventory available.

Prices continued to increase in December, following the trend that began in June 2012. This could be seen in the *Average Sale Price-All MLS*, which was \$244,135, up 0.7% from November, up 11.8% from December 2012 and up 20.0% from December 2011. Similarly, *Median Sale Price-Residential* rose to \$223,100, up 9.6% from November, up 5.7% from December 2012, and down just 14.2% from the December high in 2007. This is a big improvement from December 2011, when it was down 32.3% from the 2007 high. And the average residential sale price was \$250,900 in December, up 6.9% from December 2012, and up 24.4% from December 2011. Given current market conditions, this upward pressure on prices is likely to continue.

	DATA FOR DECEMBER 2013	Change from Dec. 2012
Active Listings	2,635	-17.2%
Solds Year To Date	7,280	21.3%
New Closed Residential Sales	475	21.8%
New Pending Residential Sales	342	-5.5%
Average Days on Market-Res. Solds	94	-20.3%
Average Sale Price-All MLS	\$244,135	11.8%
Median Sale Price-Residential	\$223,100	5.7%

It may be tempting to say that 2013 was the year the Clark County real estate market really turned around, but we have noted before that the recovery started at least a year earlier. So what we saw in 2013 was a maturing recovery, firmly settling in as the market normalized. And that is the best news, because it means the basis for a healthy market has been reestablished. It also means the prognosis for 2014 is encouraging. While much will depend upon a supply of adequate inventory, and on demand remaining strong, there is reason to believe this will be another good year for Clark County real estate.