

Clark County Market Report

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December ended the year for the Clark County real estate market on a decidedly up-beat note. In fact, by most measures 2014 was the best year in this market since 2006, and this was easily the best December since 2005. You could see that in new sales activity, with 482 *New Pending Residential Sales* reported, up 41% from December 2013, and up 33.2% from December 2012. That was better than in any other December since 2005 and down just 5.9% from December 2005's record. Furthermore, the strong new sales pushed the backlog of sales waiting to close up 12.4% from December 2013, assuring a good start for 2015.

It was also a really good month for closings. For example, there were 521 *New Closed Residential Sales* reported, up 5.9% from November, up 9.7% from December 2013, and up 33.6% from December 2012. This was by far the best December for closings since 2005, but it was still down 26.1% from December 2005. Even so, December's strong closing activity pushed total sales for the year to their best levels since 2006, with 7,803 *Solds Year To Date*, up 7.2% from a very good 2013, and up 30.0% from 2012. Yet despite the strong closing activity at the end of the year, total sales were down 6.3% from 2006, and down 24.1% from 2005's record.

In contrast to the strong sales activity, listing activity in December was anemic at best. There were only 422 new residential listings submitted, the least submitted in December since 2012. Significantly, there was just 0.8 new listing for every pending sale reported. As a result, at the end of December there were only 2,551 *Active Listings*, down 10.6% from November, down 3.2% from December 2013, and down 19.9% from December 2012. This was less than in any other December since 2004. Consequently, based on the number of new pending sales, and considering only active residential listings without offers, there were just 3.3 months of residential inventory available. And, if you exclude homes under construction or proposed, there were only 2.6 months of inventory available.

Unsurprisingly, average prices continued to climb in December. For example, *Average Sale Price-All MLS* was \$270,025, up 10.6% from December 2013 and up 23.7% from December 2012. Similarly, *Median Sale Price-Residential* was \$245,600, up 10.1% from December 2013, and down just 5.5% from December's 2007 high. And, the average residential sale price was \$282,400 in December, up 12.6% from December 2013, and up 20.3% from December 2012. It is worth noting the really significant increase in prices since 2012. And considering the lack of inventory and the strong demand, it is reasonable expect that to continue for at least the near future.

	DATA FOR DECEMBER 2014	Change from Dec. 2013
Active Listings	2,551	-3.2%
Solds Year To Date	7,803	7.2%
New Closed Residential Sales	521	9.7%
New Pending Residential Sales	482	41.0%
Average Days on Market-Res. Solds	98	4.3%
Average Sale Price-All MLS	\$270,025	10.6%
Median Sale Price-Residential	\$245,600	10.1%

The strong sales activity in December gives us a great start for the new year. And when you compare sales activity and prices to what they were as recently as 2012, there is even more cause for optimism. Yet low inventory continues to be the challenge. It is particularly significant that there was less than one listing for each new pending sale reported in December. That is not sustainable. The health of this market in 2015 will depend upon our ability to provide inventory to meet the demand. The good news though, is that prices have increased enough that many sellers now have the equity to allow them to move if they can find the right home. We just have to get that home on the market . . .