

Clark County Market Report

January 2017

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December closed out 2016 on a really strong note for the Clark County real estate market. In fact, in terms of sales activity this was one of the best Decembers on record. You could see that in the 499 *New Pending Residential Sales* reported to RMLS, almost unchanged from the 502 reported last December, and better than any other December since 2005. To put this in perspective, it was up 3.5% from December 2014, and up 45.9% from December 2013. This was even up 5.3% from December 2006, and it was down just 2.5% from the December 2005 record. As a result, the backlog of pending sales ended the year at 1,294 pendings, a new record and up 3.9% from the old December 2015 record. This was big enough to ensure a really good start for the new year.

More impressively, December set a new record for closing activity, in part because more of the backlog of pending sales finally closed. You could see that in the 729 *New Closed Residential Sales* reported, up 3.4% from November, up 9.3% from a very good December 2015, and up 39.9% from December 2014. Even more impressively, it was also up 43.5% from December 2006, and most importantly, it was up 3.04% from the December 2005 record. The result of that strong closing activity was a final total of 9,716 *Solds Year To Date*, up 4.9% from December 2015, up 24.5% from December 2014, and much better than any other year since 2005. In fact, this was down just 5.5% from the 2005 record, making 2016 easily the second best year on record for total sales.

In contrast to the strong sales activity, listing activity was the weakest it has been in December since 2012. There were just 401 new residential listings reported, perhaps down due to weather and following the seasonal pattern, but down 7.0% from December 2015. That meant with the strong new sales activity there was just 0.8 of a new listing for each pending sale reported. As a result, at the end of December there were only 1,700 *Active Listings* available, down 11.6% from December 2015, and down 33.4% from December 2014. This was the fewest listings available in December for at least the last 25 years. And as a result, based on the number of pending sales, and taking into account only standing inventory, there were just 1.5 months of inventory available.

Unsurprisingly the strong market pushed average prices up in December and as a result, prices were up significantly from last year. For example, *Average Sale Price-All MLS* was \$323,684, up 0.3% from November, and up 9.8% from December 2015. Similarly, *Median Sale Price-Residential* was \$300,000, up 0.4% from November, up 10.1% from December 2015, and up 15.4% from the previous high in December 2007. This was the twentieth month in a row that the *Median Sale Price-Residential* has been higher than the previous peak. And the average residential sale price was up 10.2% from December 2015. So strong demand and limited inventory continue to put upward pressure on prices.

	DATA FOR DECEMBER 2016	Change from Dec. 2015
Active Listings	1,700	-11.6%
Solds Year To Date	9,716	5.0%
New Closed Residential Sales	729	9.3%
New Pending Residential Sales	499	-0.6%
Average Days on Market-Res. Solds	53	-25.4%
Average Sale Price- All MLS	\$323,684	9.8%
Median Sale Price- Residential	\$300,000	10.1%

2016 was the second year in a row of really good, similar markets characterized by strong sales and very limited inventory. It is interesting that looking back at comments made in 2015, we talked about how limited inventory was. And then throughout 2016, there were even fewer listings. It is safe to say if there had been adequate inventory, 2016 would have easily surpassed the 2005 record for total sales. Furthermore, the fact that the year ended at record low levels of inventory serves notice that this could be an ongoing issue in 2017. The good news though is the backlog of pending sales at the end of the year was higher than it has ever been in December and that will give us a good start for 2017. We just need more good listings . . .