

Clark County Market Report

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Winter continued to slow the Clark County real estate market in February. You could see that in the 668 *New Pending Residential Sales* reported to RMLS. That was up 14.0% from January but that reflected the normal seasonal uptick, and more significantly it was down 8.6% from February 2016, and up only 0.3% from February 2015. Yet despite that, new sales activity this February was still better than in any other February since 2006. Furthermore, another indicator of the difference between this February and last was the backlog of pending sales waiting to close, which grew 8.9% from January to 1,409 pendings. That was pretty good, but it was still down 20.5% from February 2016. Nevertheless, that backlog was still large enough to ensure a very good first quarter.

Interestingly, this was also the best February for closing activity since 2006. Reflecting that were the 480 *New Closed Residential Sales* reported, down 2.4% from a very good January, but up 10.6% from February 2016, and up 11.4% from February 2015. Even so, that was down 10.5% from February 2006, and down 15.3% from the February 2005 record. The result of that closing activity was that by the end of February there were 1,125 *Solds Year To Date*, up 3.8% from February 2016, and up 13.5% from February 2015. To put that in perspective, this was much better than any other February since 2005, up 2.2% from February 2006, and down just 7.2% from February 2005. So considering the impact of the winter weather, this was a good start for 2017.

Listing activity appears to have been even more impacted by the weather than was sales activity. In fact, new listing activity was the weakest it has been in February since 2014. There were just 668 new residential listings reported, which was down 19.7% from February 2016 and down 11.1% from February 2015. Interestingly, there was just 1 new listing for each pending sale reported. As a result, at the end of February there were only 1,578 *Active Listings* available, down 7.2% from January, down 10.3% from February 2016, and down 33.9% from February 2015. This was the fewest listings available in February for at least the last 25 years. Consequently, based on the number of pending sales, and taking into account only standing inventory, there was just 1 month of inventory available.

The relatively strong new sales activity, and the limited inventory pushed average prices up even more in February. For example, *Average Sale Price-All MLS* was \$332,561, up 11.1% from February 2016 and up 22.1% from February 2015. Similarly, *Median Sale Price-Residential* was \$300,000, up 12.7% from February 2016, and up 16.3% from the previous high in February 2007. This was the twenty second month in a row that the *Median Sale Price-Residential* has been higher than the previous peak. And the average residential sale price was \$337,900, up 8.2% from February 2016, and up 26.9% from February 2015. So unless inventory grows significantly, the upward pressure on prices will continue unabated.

	DATA FOR FEBRUARY 2017	Change from Feb. 2016
Active Listings	1,578	-10.3%
Solds Year To Date	1,125	3.8%
New Closed Residential Sales	480	10.6%
New Pending Residential Sales	668	-8.6%
Average Days on Market-Res. Solds	68	-2.9%
Average Sale Price-All MLS	\$332,561	11.1%
Median Sale Price-Residential	\$300,000	12.7%

While the weather had an impact on the market in February, the lack of inventory may have had an even greater impact by slowing sales activity dramatically. That could be seen in the number of multiple offers on properties in the price ranges below \$350,000, and it could be seen in ever shorter market times in those price ranges. Furthermore, brokers in this market all report they have buyer clients who have been unable to find a property to buy. So as inventory shrinks, the pool of unsatisfied buyers continues to grow. And that puts even more pressure on prices. We need a lot more good listings . . .