

Clark County Market Report

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The Clark County real estate market slowed in September, although it was still much better than it has been in most years since 2005. You could see that reflected in the 689 *New Pending Residential Sales* submitted to RMLS, down 15.2% from August, down 1.6% from September 2017, down 15.3% from September 2016, and down 15.4% from September 2015. But while *New Pending Residential Sales* were weaker than in the last three Septembers, new sales were up 1.9% from September 2014, and up 35.4% from September 2013. In fact, this was still the fourth best September for new sales since 2005. Additionally, with the weaker new sales activity, the backlog of pending sales fell 6.9% from August to 1,247, and it was down 17.9% from September 2017. Even so, at the rate sales closed in September that still represents 1.84 months of closings.

Interestingly despite the relatively large backlog of pending sales, closing activity also softened in September. You could see that in the 677 *New Closed Residential Sales* reported, down 17.0% from August, down 9.7% from September 2017, and down 12.2% from September 2016. Nevertheless, *New Closed Residential Sales* were up 0.5% from September 2015, up 5.0% from September 2014, and were much better than in any other September since 2005. As a result, by the end of the month there had been 7,201 *Solds Year To Date* reported. That was down 0.9% from September 2017, and down just 1.3% from September 2016, which the best since 2005's record.

Listing activity also slowed in September. You could see that in the 951 new residential listings submitted to RMLS, down 12.2% from August, down 0.7% from September 2017, but up 6.4% from September 2016. With that decline in new listing activity, inventory also contracted slightly. At the end of September there were 2,577 *Active Listings* available, down 0.7% from August, but up 18.4% from September 2017, up 12.4% from September 2016, and up 10.6% from September 2015. Still there were fewer *Active Listings* in September than in any other year this century. Furthermore there were just 1.4 new listings for each new pending sale. Predictably available standing residential inventory grew to 2.36 months in September.

Perhaps not surprisingly, average prices softened in September. For example, *Average Sale Price-All MLS* was \$389,409, down 0.1% from August, still up 9.1% from September 2017 and up 21.5% from September 2016. Similarly *Median Sale Price-Residential* was \$357,200, down 2.8% from August, up 6.9% from September 2017, up 33.5% from the previous high in September 2007, and up 90.0% from September 2012, which was the low during the downturn. The average residential sale price was \$392,000, up 5.0% from September 2017, and up 16.4% from September 2016.

	SEPTEMBER 2018	Change from Sept. 2017
Active Listings	2,577	18.4%
Solds Year To Date	7,201	-0.9%
New Closed Residential Sales	677	-9.7%
New Pending Residential Sales	689	-1.6%
Average Days on Market-Res. Solds	41	-6.8%
Average Sale Price- All MLS	\$389,409	9.1%
Median Sale Price- Residential	\$357,200	6.9%

A slow down in September is not that unusual given the Labor Day holiday and end of summer activities, which effectively shorten the month. But the size of the change this year was surprising, with new sales activity declining as much as it did. What is more surprising is that closing activity also declined, because closings are typically driven by the pending sales generated one to two months earlier. Also noteworthy, was the decline in listing activity which is somewhat independent of new sales and closings. Whatever the causes, whether it was the teacher strikes, interest rate increases, the weather, or something else, the September market was still good by historic standards. And with available inventory growing, and price increases slowing somewhat, buyers are finally beginning to have better choices and greater opportunities. In the long run that is very good news for this market.